FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 157 *14 August 1985*

ARGENTINA

Alfonsin Comments on Economy, Possible CGT Strike B 1
[BUENOS AIRES HERALD 13 Aug]
Sentences Requested for Falklands Officers B 1
Interior Ministry Communique on Prisoners in Spain B 2
Alfonsin Message Read at Geneva Conference B 3
[LA PRENSA 2 Aug]

BOLIVIA

Chamber of Deputies Praise Armed Forces C 1
Indicted Ex-President Garcia Meza Seen in Urkupina C 1
Appears at Shrine With Family C 1
Government To Investigate C 1

CHILE

Foreign Minister on Need To Condemn Terrorism E 1
Cuadra on Cabinet Meeting, Opposition Dialogue E 1
Bombs Destroy 2 Buses in Valparaiso, Nearby Town E 2
Four Carabineros Charged in Death of Detainee E 2
PDC President on Return to Democracy, Communists E 3
[COSAS 25 Jul]
Article Outlines Key Men, Posts in Society E 4
[QUE PASA 25-31 Jul]
Democratic Federation Elects Executive Board E 10

COLOMBIA

Minister Confirms 'Imminent' Cabinet Reshuffle F 1
Army Intelligence Thwarts Ipiales Terrorist Plan F 1
Valle del Cauca Council Analyzes Situation F 1
Two M-19 Members Arrested in Santander F 2
[EL TIEMPO 9 Aug]
Forum Studies Interoceanic Canal Construction F 2

PARAGUAY

SPP Communique Supports Radio Nanduti Workers H 1
[HOY 11 Aug]
Former ABC COLOR Head Zuccolillo on Press Freedom H 1

PERU

Garcia Holds Unannounced Meeting With Nuncio J 1
Alva Castro Announces Import Restrictions J 1
Percovich Denies Involvement in Drug Case J 1
PetroPeru Chairman Begins Reorganization Process J 3
Police, Striking Maritime Workers Clash in Lima J 3
PIP Announces Capture of Shining Path Terrorists J 3

URUGUAY

Brazil's Sarney Continues Visit, Meets Sanguinetti K 1
Addresses Congress K 1

VENEZUELA

Soviet Envoy Denies Deputy Expelled From USSR L 1
Nicaraguan LA PRENSA Director Meets Local Leaders L 1
[EL UNIVERSAL 2 Aug]

PANAMA

Noriega Speech Views Domestic, Regional Status N 1
Announces Visit to Nicaragua N 5
President Announces Plan To Promote U.S. Investment N 6

CENTRAL AMERICA

COSTA RICA

Government Denounces New Nicaraguan EPS Attack P 1
Monge Says Country To Respond to Aggression P 1
Monge Officially Invited To Visit Israel P 2
[LA REPUBLICA 3 Aug]
Government Protests French Publication of Book P 2
PPC Leader Mora on U.S. 'Occupation' Plans P 3
[LA REPUBLICA 3 Aug]

EL SALVADOR

FMLN General Command Issues Message to People P 4
[Radio Venceremos]
RN Communique Repudiates Death of FMLN Leader P 8
[Radio Farabundo Marti]

GUATEMALA

8 Official Presidential Candidates Proclaimed P 9

NICARAGUA

Foreign Ministry Note to Costa Rica on Aggression P 10
Regional Military Delegation Concludes Visit P 10
Panama's General Noriega To Arrive on Visit P 11
Japanese Press Asked To Be More Objective P 11
New Magazine Cites ECLA Report on Economy P 11
LA PRENSA Editorial Views D'Escoto Fast P 12
[10 Aug]
Commander 'Daniel' Claims Peace Group Kidnapping P 14
[ACAN]
Defense Ministry Reports on Contra Casualties P 15
Opposition Groups Form Bloc To Counter FSLN P 15
[San Jose LA NACION 2 Aug]
BOS Seeks U.S.-USSR Dialogue on Area Situation P 15
[ACAN]

Robelo Rejects Proposal [AFP] P 18
Robelo Addresses UNO Meeting on Struggle P 18
[Panama City LA ESTRELLA DE PANAMA 7 Aug]
Contra Leaders Hold 'Secret' Meeting in Honduras P 20
[ACAN]

CUBA

More Reportage on Reaction to SR-71 'Violation' Q 1
Messages Support Fidel's Policies Q 1
Militia Denounces Incident Q 1
UN Criticism of U.S. Puerto Rico Policy Noted Q 1
Board Selects Cuba as UNIDO Vice President Q 1
Committee Formed To Commemorate UN Anniversary Q 1
Delegation Attending Burnham's Funeral Returns Q 2
Ramon Castro Meets With DPRK Vice Premier Q 2
Commentary Hails Cuba-USSR Cooperation Q 2
Havana Radio Notes Regional Comments on Debt Q 3
Nicaraguan Successes Against Contras Described Q 4
Contra Plans Disrupted Q 4
Borge Comments Viewed Q 4

CARIBBEAN

DOMINICA

Government To Implement Caricom Trade Agreement S 1

NETHERLANDS ANTILLES

Netherlands Minister on Curacao Shell Refinery S 1

OTHER COUNTRIES

ECUADOR

Febres Cordero Approves Credit Agreement V 1
Teran Discusses Foreign Policy Achievements V 1

MEXICO

Conace President Reports Fall in Nonoil Exports V 1

ALFONSIN COMMENTS ON ECONOMY, POSSIBLE CGT STRIKE

PY132252 Buenos Aires BUENOS AIRES HERALD in English 13 Aug 85 p 11

[Text] (NA-DYN) -- President Raul Alfonsin yesterday said the "worst is behind us" when commenting on the economic crisis at a visit to the Rural Society show in Palermo before moving on to inspect a tank regiment in Magdalena.

Alfonsin underlined that the declining trend of inflation will "permit us to begin the task of growth very rapidly" and added that he was not shocked by the prospect of a CGT general stike on August 29.

"Everybody is right," he said in reference to wage claims, but pointed out it was a "decisive moment" for Argentina. He also said the government's new economic plan was receiving a good press abroad.

The president admitted that he could be meeting Economy Minister Juan Sourrouille and Defence Minister Roque Carranza to discuss the military budget situation but when questioned about the low salaries of servicemen replied: "We all have to bear economic penury."

But Senate defense committee chairman Antonio Berhongaray (Radical-La Pampa) insisted yesterday that Alfonsin was pressing economy ministry officials to find a solution to the problem. And defense sources said ways would be found to make net wages equal gross wages without actually awarding a politically dangerous hike.

Alfonsin, who was accompanied by Carranza, arrived at Magdalena at 10 am in a helicopter. He was received by Army Chief of Staff Hector Rios Erenu, Fifth Army Corps commander Jose Caridi, logistics chief General Julian Perez Dorrego, operations chief General Leopoldo Flores and other top army brass. He watched maneouvres by the locally-manufactured TAM tanks, firing from one himself.

The president, who stayed for lunch, made a short speech urging the soldiers to "work for the future of the country and the reconciliation of the Argentines...". He commented on the "excellent" morale despite the budget problems, warning there were no quick solutions.

SENTENCES REQUESTED FOR FALKLANDS OFFICERS

PY140215 Buenos Aires TELAM in Spanish 0005 GMT 14 Aug 85

[Text] Buenos Aires, 13 Aug (TELAM) -- According to military sources, military prosecutor General Hector Canale has requested that the members of the military junta that led the Malvinas war be sentenced to long prison terms and be dismissed, discharged, and disqualified for office.

The brief containing this request was submitted yesterday to the Armed Forces Supreme Council, which has been trying those responsible for leading the 1982 war.

According to the sources, the prosecutor requested that Lieutenant General Leopoldo Fortunato Galtieri, retired, former president and commander in chief of the Armed Forces; and Admiral Jorge Isaac Anaya, retired, former member of the military junta, and commander in chief of the Navy, be sentenced to 12-year prison terms.

In a 210-page closing argument submitted yesterday to the Armed Forces Supreme Council, the prosecutor also requested that Brigadier General Basilio Arturo Lami Dozo, former member of the military junta and commander in chief of the Air Force during the war with Great Britain, be sentenced to an 8-year prison term.

The prosecutor also requested that Brigadier General Omar Edgardo Parada, retired, former commander of the 3d Infantry Brigade stationed on the islands, be sentenced to a 4-year prison term; that Brigadier General Mario Benjamin Menendez, retired, and Vice Admiral Jose Lombardo, retired, former commander of the South Atlantic Theater of Operations, be sentenced to only 2-year prison terms.

The prosecutor requested that six other senior officers be subjected to disciplinary actions and that six others be acquitted, the sources said.

The defendants' lawyers were informed of the sentences requested by the prosecutor in a meeting held this afternoon at the logistical command headquarters, which was formerly the I Corps headquarters. As of today, the lawyers will have 45 days to answer the prosecutor's charges.

Once the 45-day period has elapsed, the Armed Forces Supreme Council will again convene before handing out the respective sentences, which will be announced between October and November.

INTERIOR MINISTRY COMMUNIQUE ON PRISONERS IN SPAIN

FY090340 Buenos Aires TELAM in Spanish 2313 GMT 8 Aug 85

[Text] Buenos Aires, 8 Aug (TELAM) — The Argentine Interior Ministry today announced that Raul Guglielminetti and others involved in common crimes, who are being held in Spain, are trying to hamper justice in order to block their extradition to Argentina.

The ministry also indicated that these people seek to appear as victims of political persecution and are trying to undermine and discredit the investigations that led to the identification of and charges against this criminal group.

These remarks are part of a communique that the Interior Ministry released at Government House this afternoon. Here is the text of the communique:

In view of various media reports linked to steps being taken to extradite citizen Raul Guglielminetti, and despite the fact that this matter falls under the jurisdiction of the judiciary, the Interior Ministry feels it has a duty to address the people at large in order to supply precise information.

This is an incident through which those accused are trying to interfere with the course of justice and especially to hamper steps being taken in the Spanish courts to extradite them.

Their objective in this maneuver is to appear as victims of political harassment in order to block extradition, when in fact they are accused of common crimes that involve terrorist actions, kidnappings, and blackmail.

Furthermore, these people, as well as the groups and individuals that participate in their maneuvers, are trying to cast doubt on and discredit the results of the investigations that led to the identification of this criminal group.

This is not accidental because this is the first time the state has managed to break up a right-wing extremist cell that operated under the shelter of old-time protectors in the authoritarian regime.

This protection allowed these criminals to maintain jobs in certain sectors of the state organization. Thus, despite the shuffles and reshuffles of the administrative structure, they managed to survive the institutional change in Argentina on 10 December 1983.

The Argentine Government has publicly acknowledged the existence of these residual groups linked to a phase, now happily concluded, during which these people enjoyed all kinds of privileges and perpetrated all sorts of crimes.

This acknowledgement, which was a true act of republican repentance, led the national government to separate the above-mentioned groups from state functions. This was done whenever there was enough evidence to sever all administrative ties that linked them to the state.

Thus, when evidence was obtained pointing out the responsibility of these individuals who today seek to appear as victims of unfair persecution, with the intentional complicity of those who are now taking advantage of freedoms they have not had in the past, the Interior Ministry leveled the appropriate charges.

Aware that the Spanish courts have to rule on the request for their extradition, these criminals are resorting to every possible kind of intrigue and argument attempting to avoid the reparative action of the Argentine courts. Thus it is clearly a court strategy staged by their lawyers -- a surprising strategy -- because on one hand they are trying to prevent their return to Argentina, while on the other hand they are saying that they would have no problems if they came back.

The government is not afraid of, nor will it pay heed to the blackmail being staged. The arguments and charges that may ensue should be conveyed to the judge who is handling the extradition, for only he can pass an impartial judgment based on facts and evidence.

The Interior Ministry urges the public to realize the true nature of this remarkable campaign. To this end, it appeals to the news media not to distort the facts for, it could thwart the extradition and thus prevent the courts from dealing with this incident.

ALFONSIN MESSAGE READ AT GENEVA CONFERENCE

PY130320 Buenos Aires LA PRENSA in Spanish 2 Aug 85 p 1

[Text] Geneva, 1 Aug (ANSA) -- In a message read at the UN disarmament conference here today, President Raul Alfonsin stressed the Argentine Government's interest in promoting peace and cooperation in Latin America. The message was read by Mario Campora, the new Argentine representative, after he was installed as president of the conference.

In his message, President Alfonsin stated: "The Argentine Government is fully aware of its responsibility for the promotion of regional peace and cooperation, and, pursuant to this objective, it has assumed international commitments. The Argentine Government will continue to work with the same perseverance to find a peaceful settlement to any controversy in which it is a party or in which its moral or diplomatic support may be necessary."

He added: "In spite of the dramatic circumstances that have prevailed throughout their history, the Argentine people have always believed that peace is a supreme value and that the preservation of peace begins in the hearts of men and continues with respect for human rights and with the building of a just society without privilege. World peace must be based on internal peace in each nation. We believe all peoples share this generous feeling."

"However," he added, "power is dangerously likely to prevail in the current unstable international situation. The search for military superiority always results in brief and changing success, because the boundless frontier of science and technology always offers the temptation to use the fruits of human intelligence to achieve superiority instead of the well-being of mankind."

The president added: "This ambivalent aspect of science, which can be used for both peaceful and military purposes, has appeared with particular strength in the case of nuclear and space technology. The use of this technology may result in incalculable benefits for mankind or in a tragic situation, depending on whether it is used for peaceful or for military purposes. The statement signed by the U.S. and Soviet Governments on 8 January 1985 has awakened expectations that should not be allowed to die. We welcomed it with hope, and now we hope it will revive, emerging from the skeptical diatribe in which it has sunk. The Argentine people have made a considerable effort, within their possibilities, to reach higher scientific levels."

The president also said: "As for the nuclear issue, about which the disarmament conference is so legitimately concerned, my country will be a civil nuclear state. This decision was made by the Argentine people, who in the national elections voted for a party which maintains that nuclear energy must be used exclusively for peaceful purposes. Accordingly, and in order to clearly show the civilian nature of the Argentine Republic, we have imposed major reductions on our military spending."

The president concluded his message by stating: "Intellectuals and ordinary people around the world are bewildered and freightened by military spending, particularly by the great powers. It is simply hard to believe -- actually no one would believe -- that such a large amounts are spent on weapons while poverty and starvation spread over vast sectors of the globe. This situation, which reflects what may be the most inhuman contradiction of our civilization, also serves to stress the particuar and unique significance of the disarmament conference, whose final goal -- we regret to say -- is still far from being accomplished."

Campora added the following statement: "We hope the president's message will serve to show the Argentine Government's high opinion of the work done by this conference, with the objective of eradicating the scourge of war as the ever-present nightmare of mankind."

CHAMBER OF DEPUTIES PRAISE ARMED FORCES

PY131300 La Paz Cadena Panamericana in Spanish 1130 GMT 13 Aug 85

[Text] The Chamber of Deputies has stated its satisfaction with the position assumed by the Armed Forces in the preservation of the current democratic process. The declaration was approved during a regular session on 12 August. The declaration says:

Whereas, the Armed Forces with their patriotic conduct have contributed to the preservation of the democratic process in the nation; the High Command of the National Police has demonstrated during the recent election its obedience to the Constitution and the laws; this attitude goes along with the historic traditions of the military and police forces of the Republic; and they have set an example for the new generations.

The Chamber of Deputies declares its satisfaction with such honorable conduct, calling on the Armed Forces to be always at the service of law and justice.

INDICTED EX-PRESIDENT GARCIA MEZA SEEN IN URKUPINA

Appears at Shrine With Family

PY131543 Paris AFP in Spanish 2158 GMT 12 Aug 85

[Excerpt] La Paz, 12 Aug (AFP) -- The Cochabamba newspaper LOS TIEMPOS today reported that General Luis Garcia Meza, a former Bolivian de facto president, unexpectedly appeared among parishioners at the shrine of the Urkupina Virgin in Cochabamba, central Bolivia.

LOS TIEMPOS states that the former dictator was accompanied by his wife and relatives, which astonished the many people present because Garcia Meza has been indicted by the courts and there is a warrant for his arrest for a number of crimes committed during his administration from 1980 to 1981.

Government To Investigate

PY131253 La Paz Cadena Panamericana in Spanish 1130 GMT 13 Aug 85

[Text] Information Minister Reynaldo Peters has reported that the government has ordered its intelligence services to investigate the presence of Luis Garcia Meza in Urkupina. According to press reports, the former president was seen in Urkupina in the company of relatives.

Peters said that the government is taking the necessary legal measures because there are several accusations against Garcia Meza.

FOREIGN MINISTER ON NEED TO CONDEMN TERRORISM

PY140155 Santiago Domestic Service in Spanish 2300 GMT 13 Aug 85

[Text] Foreign Minister Jaime del Valle has stated that Chile has continuously condemned terrorism at all international forums. He added that our country has demonstrated a continuous disposition to struggle against terrorism. He said that in many countries a sort of fear exists to say what is really felt about terrorism. He added that an open and categorical condemnation of what terrorism is does not exist. The foreign minister said that this is a problem requiring a categorical decision.

Regarding remarks made in Cuba by opposition leaders Pascal Allende and Luis Corvalan, Del Valle stated that they show the incredible cynicism of these people and the plans they have in relation to Chile.

[Begin Del Valle recording] I think those remarks are conclusive. People will understand once and for all that these two individuals admit that they are involved in events that many people think were perpetrated by other organizations or elements. Here Pascal himself admits the participation of his movement and at the same time blames the armed branch of the Communist Party with being involved in half of those events. This is a confession of the accused.

I think those interviews have been very useful because they have demonstrated the incredible cynicism of these individuals in confessing their plans regarding Chile. They have also demonstrated the ingenuousness of those who believe that an alliance with the Communist Party represents no danger to the democracy we are creating. [end recording]

The foreign minister concluded by saying that if an international meeting on terrorism is held, our country will certainly participate in it with its vote and its presence.

CUADRA ON CABINET MEETING, OPPOSITION DIALOGUE

PY131631 Santiago Domestic Service in Spanish 2300 GMT 12 Aug 85

[Report from Government Palace by Rosa Sanchez]

[Text] Minister Secretary General of Government Francisco Javier Cuadra confirmed tonight that after reviewing all the records regarding the attack last night against a Carabineros building, it has been established that the ammunition used against the Carabineros officer who tried to repel the attack is the same kind that was used Friday night against a Carabineros bus. Cuadra said there is hope that these records will provide important clues for the police regarding the involvement of this extremist group in other attacks over the past few months.

Cuadra made these remarks following a lengthy cabinet meeting chaired by President Pinochet. Also present at the meeting were the interior, education, defense, and foreign ministers.

Cuadra went on to explain that the education minister reported on fiscal credit and the teachers statute. He gave no further details on the report given by the other ministers.

Minister Cuadra was also asked about the possibility of dialogue with the opposition. He answered that as the government, political authorities communicate with the people. He added that all national, regional, provincial, and communal authorities are getting acquainted each day with the people's difficulties, problems, anxieties, and their observations about different areas of national activity.

We have not and we do not intend to have contacts with the opposition sectors because their positions provide conditions for the activity of terrorist groups and extremist sectors. They also prevent the realization of serious and profound talks with positive results for the fatherland.

BOMBS DESTROY 2 BUSES IN VALPARAISO, NEARBY TOWN

PY140320 Paris AFP in Spanish 0249 GMT 14 Aug 85

[Text] Valparaiso, 13 Aug (AFP) -- According to police sources, two attacks with incendiary bombs this evening destroyed two passenger buses in Valparaiso port and the neighboring town of Villa Alemana.

In Valpairaiso, 140 km east of Santiago, a group of unidentified individuals set off an incendiary bomb inside an empty bus, completely destroying it. Almost simultaneously at the Villa Alemana bus stop, 40 km from Valparaiso, another passenger bus was partially destroyed by an incendiary bomb. It seems that the two attacks were meant to be simultaneous.

The two actions took place 10 hours after a Navy officer died as a result of a powerful explosion on railway line near Valparaiso. That attack seriously wounded a Navy sergeant, destroyed the railway line, and paralyzed rail traffic in the Penablanca area.

On 11 August, during a series of similar attacks against police premises in Santiago, one person died and two were wounded when a bomb exploded at the Carabinero Forces station.

FOUR CARABINEROS CHARGED IN DEATH OF DETAINEE

PY132306 Paris AFP in Spanish 1925 GMT 13 Aug 85

[Excerpt] Valparaiso, 13 Aug (AFP) -- Today authorized sources disclosed that four officers of the Carabineros forces were arrested and charged with the death of a detainee who they said belonged to a guerrilla training school in Valparaiso, 140 km east of Santiago. The alleged subversive training school was detected on 21 February 1985 in neighboring Quintero, where the police arrested 12 members of the Socialist Party who were carrying out subversive activities against General Augusto Pinochet's government, according to official information disclosed at that time.

The arrested, Carlos Godoy Echegoyan, died while under detention by the Carabinero officers. The report added that his death was caused by respiratory problems.

However, after a 6-month investigation, the Valparaiso judge advocate discovered that Captains Hector Diaz and Rene Carmona, Sergeant Victor Navarro, and Corporal Julio Hurtado were involved in Carlos Godoy's death, according to sources of the military court. Judge Hernan Ramirez also dismissed the existence of a guerrilla training school.

PDC PRESIDENT ON RETURN TO DEMOCRACY, COMMUNISTS

PY101934 Santiago COSAS in Spanish 25 Jul pp 16-18

[Interview with Andres Zaldivar, president of the International Christian Democratic Party, PDC, by COSAS reporter Raquel Correa; date and place not given]

[Excerpts] [Correa] The opposition agrees with the slogan "We want to return to democracy," but it is unclear whether all want the same democracy, or how they want to achieve it....

[Zaldivar] In my judgment, society has a clear idea about what they mean by a democratic system; that which is known in the Western world. Anything else is false.

[Correa] Is there an agreement on how to achieve it?

[Zaldivar] There are differences. For this reason it is impossible to reach an agreement with a sector that believes democracy is a path through which to achieve another form of totalitarian government.

[Correa] What sector?

[Zaldivar] The Communist Party. The Communist Party has made the mistake of proposing violence as a means of struggle against the government, while the other opposition sectors reject violence and seek peaceful means, such as social mobilization, disobedience of government authorities... What happens is that the opposition as a whole -- and I am referring to all the opposition wanting to return to the democratic system through peaceful means -- must propose a political plan to reach that objective. The Democratic Alliance [AD] plan to organize a civic front is a good starting point.

[Correa] The government has demanded, through its minister secretary general of government, definite positions from the moderate opposition regarding the problem of violence and the Communist Party.

[Zaldivar] Those requirements really surprise me. They almost make me laugh.... The only ones not using violence are the moderate democratic sectors. In my case -- the least important if you will -- I have lived in exile for 3 years. Is this not an act of violence? How many Chileans have been beaten, tortured, imprisoned, and banished? Take the case of the student from Concepcion, Tucapel Jimenez, the beheaded leaders. Why do we have to go on with more cases?

[Correa] What is the position of the PDC regarding violence?

[Zaldivar] It is very clear. We reject the use of violence as a means of political struggle. We believe that it does not lead to democracy, as demonstrated by the historical experience of countries such as Cuba, Nicaragua...

[Correa] Do you reject it only for that reason or for moral reasons as well?

[Zaldivar] We reject violence as an instrument of political struggle. We do not find it appropriate and we consider it immoral in the country's current process.

[Correa] What is the PDC's position regarding the Communist Party?

[Zaldivar] The PDC's position regarding the Communist Party is also very clear. We cannot reach a political understanding with the Communist Party until it gives up violence as a means of struggle. Both the PDC and AD have been very clear. We do not join into political alliance with those who promote violence as a means of political struggle. Moreover, the PDC has never had political alliance with the Communist Party, something other political forces cannot say. We have had governments of the right with the Communist Party, and of the radical party with the Communist Party. I am not criticizing them, because perhaps the historical circumstances demanded this.

[Correa] However, in practice both Christian Democrats and Communists are united, as in some students elections. Do you approve of this?

[Zaldivar] Personally, I was against the alliance of the PDC with the Communist Party for the student federation elections at the University of Chile. This was not because of a doctrinal or ideological problem, but because I did not think it was politically convenient.

[Correa] Do you think that when the government that has come to defeat Marxism leaves power, there will still be the danger that Marxism could return to the Chilean Government?

[Zaldivar] If that risk exists today, equal or more than in 1973, it means that the government has failed in its objective to eradicate Marxist-Leninism. I personally feel that the Communist Party cannot be defeated with repression or decrees. The only way to eradicate or diminish it is by cutting off its supply sources. Those sources are social discontent, social injustice, and the abandonment of the poorest sectors. The best place for the growth of Marxism is where there have been lengthy authoritarian governments and where the situations of injustice and poverty prevail.

ARTICLE OUTLINES KEY MEN, POSTS IN SOCIETY

PY130110 Santiago QUE PASA in Spanish 25-31 Jul 85 pp 29-34

[Article by Mariana Grunefeld: "Key Men in Chile"]

[Text] The list has been drastically reduced. This year QUE PASA's report is lean. A breakdown of the power structure shows that the key men, those who make today's history, frankly are few. QUE PASA has selected only 20. This is a handful of people who are capable of influencing the country's destiny to some degree.

Some of them are well known; others are not. Only a few are leading government officials. Most of them are advisers. They have influence, stand out in their fields, or exercise a decisive moral influence. Among them, however, only a few have true power and few of them "dominate to order or to implement something" (as the Royal Spanish Academy defines the term power).

Undoubtedly the list is headed by the president of the Republic. He is the man who has the most effective and prospective power in Chile. His authority is backed by a Constitution established after a plebiscite was held, and he is supported by the Armed Forces. As far as power is concerned, no one comes close to him; all the rest are relative. The power of the Catholic Church also stands out, as does the power of the Communist Party.

Under these powers come the Government Junta, the mass media, and the courts, although the courts may truly start playing a more decisive role from now until 1989. Therefore, whoever wants to exercise power or effectively does so in Chile will have to exercise it in relation to the great powers: Pinochet; some foreign power (the United States, the Soviet Union); the Catholic Church; and eventually the public, if it is capable of exerting pressure.

The scene in the economic sector is no better. Business, which is indebted, renegotiating, and administrating bankruptcies, is struggling to survive. Concern over the great, all-encompassing issues is nonexistent. Everyone is struggling for his own benefit, and this lack of solidarity is leaving business with little power. Divided, without a say -- and even as the business organizations themselves put it -- they have lost interest in exerting influence. With this state of affairs, the powerful people in Chile are the ones capable of having investments in Chile.

The Government

Within the government power is related to Pinochet. Military men, ministers, and advisers are key men as long as and for as long as the president trusts them. The men wearing uniforms and those who seem credible, loyal, and unambitious (something which, in turn, makes them have less power) have the privilege of enjoying Pinochet's confidence. In fact, the head of state has never had a permanent advisory "staff" for political and international matters (he did in the economic field during the "Chicago" school period).

Nevertheless, inside La Moneda Palace the power structure is clear: the Secretariat of the Presidency. Since its inception in 1979, the Secretariat has been presided over by Major General Santiago Sinclair Oyaneder, who owing to the characteristics of his activities, has turned into a key man. His mission is "to constantly act as a consultant in the state's political administration and to coordinate the consultative information that the remaining authoritative public agencies must supply to the head of state." Sinclair Oyaneder reviews all background information, schedules audiences, handles the agenda, puts together and assesses information, and presents studied alternatives to the president. Brigadier [as published] Guillermo Garin, current head of the military household and a presidential adviser, was the deputy of the Secretariat of the Presidency for a long time. The current team includes Major Juan Salazar, current deputy chief of the Secretariat, Commander Christian Labbe, Commander Juan Gaston Gillmore, and Attorney General Gernando Lyon, retired, attached to the Army. The Secretariat of the Presidency has received the advisory services of political scientists. Oscar Mertz, who has been the scientific attache to the Chilean Embassy in the United States for the last 2 months, is the most sought after scientific adviser.

On the other side of La Moneda are the ministers who have political weight. Nevertheless, they must first agree with the Secretariat of the Presidency. They are Interior Minister Ricardo Garcia and Minister Secretary General of Government Francisco Javier Cuadra. Garcia, who is one of the government officials most respected by the church and the opposition, has the duty of coordinating the cabinet. Cuadra, who is engaged more in daily events, handles, for example, the mass media. Both of them enjoy Pinochet's confidence and, along with Sinclair, form the "political cordon." However, there is another minister who exceeds his specific rights and decisively influences the political administration: Justice Minister Hugo Rosende. The government's leading judicial "adviser," Rosende has at times managed to have his "hard-line" stand prevail within the government, such as when he achieved the reinstatement of the state of siege for the second time. (In addition, along with Rosende, Pablo Rodriguez and several attorneys from the Interior Ministry, including Ambrosio Rodriguez, have had frequent access to La Moneda Palace.)

Another minister with more relative power is Defense Minister Admiral Patricio Carvajal, due to his old friendship with Pinochet. Adm Carvajal was the one who had Captain Sergio Rillon, retired, current chief of the bureau in charge of church-government relations and an adviser to Pinochet, who played a decisive role in the appointment of some ministers (such as Cuadra and Garcia), join the government.

In addition, Agriculture Minister Jorge Prado, due to the success of his administration and his ties with the church (Jorge Prado is the brother of Iquique Bishop Javier Prado Aranguiz and was the top official government representative present at the Vatican when Msgr Fresno was made cardinal), has increased his relative power.

The Military Men

Julio Canessa, deputy commander in chief of the Army, is also a key person because of his post and because he has the absolute confidence of the president. His mandate expired at the end of 1984, but it has been extended to include the transition period. He will remain in his post "until the commander in chief decides otherwise." Something similar has happened to another member of the military who can certainly be considered a key figure: General Humberto Gordon, director of the National Intelligence Council. Due to the confidence placed in him and despite the fact that he should have retired because of the number of years he has been in the service, Pinochet has extended his rank and mandate until at least 1986. He is also one of the Armed Force members who have daily contact with the chief of state. In addition, his has been a key institution in investigating the murder of the three Communist leaders and, it has been said, his is the only institution that has provided background data and information to the courts. The Carabineros, the Investigations Department, and the Defense Ministry apparently have not done so.

Manuel Contreras, former director of the former National Intelligence Directorate, merits a paragraph to himself. For the time being he apparently holds no position of power, but it is quite possible that he will be given a position of power if the situation warrants. His forte is information. He is currently a question mark, his position of power cannot be clearly defined, and it not known whether he will use it and if so how efficiently.

The Political Sector

The political sector outside the government does not have many influential people, and today even less so than before. They are not key individuals because the country's destiny is not in their hands. The action is outside their scope. It is quite certain that those participating today will most probably not be tomorrow's leaders. They also have an additional weakness: If they are adored by some, they are hated by others. However, there is an exception: the person who leads the Communist Party. This underground leader is certainly a key individual for the country. He dictates his terms to the government, the Armed Forces, the politicians, and the country. It is more than enough to say that his name is...unknown.

The right has very few individuals in a position of power. Pedro Ibanez is one of them because of his ties to the Valparaiso business school, because he is a businessman, and above all because he has resumed his political activities. He has stated that he resigned from the Council of State so he could become completely involved in politics, and he is the only individual within the right (with the exception of the Independent Democratic Union) who has drafted a serious plan. Sergio Onofre Harpa is another key individual, due to his charisma, and the leadership polls have demonstrated this fact.

Jaime Guzman is another heavyweight because he is an ideologist and a strategist, and possibly because of his good connections with the Armed Forces and because some of his ideas have been received well in certain government sectors. Jose Pinera is the last one, because he is "attractive" to the right, because he is an emerging young power with ideas (economy and society), and because he has international support.

With regard to the opposition, the Christian Democrats are key individuals, or relatively key individuals, who have no one to oppose them on the international scene: Andres Zaldivar because he is president of the Christian Democratic International, and Gabriel Valdes because he is president of the Christian Democrats within the country. Zaldivar moves much more easily at the international level (Socialist, Social Democrats, and liberals). Valdes moves at the level of the U.S. State Deaprtment (he lived in the United States for 10 years and was Frei's foreign minister), but he does not move very easily in Europe. Domestically Zaldivar appears to be the "reserve" for the coming years; meanwhile he observes and avoids conflicts. Rafael Moreno is another "reserve." He is an agronomist who is currently working with the FAO in Rome. Within the party he is considered the most skillful politician of the generation who is nearing the age of 50. He is not expending himself in Chile; he visits the country an average of two times a year and keeps himself informed. He is the party's hold card who can return and immediately take up a position of power (although he currently has some competitors such as Eugenio Ortega, who has monopolized Frei's succession, Genaro Arraigada, Juan Hamilton, and Mario Fernandez), and additionally he is well-liked by the right. But without a doubt, the Christian Democrats' real key individual is none other than Jaime Castillo Velasco, the party's ideologist, who is respected by all. Without being a candidate, he was proposed by Valdes for the top post in the party's internal elections and was accepted unanimously.

The Social Democrats have their eyes on their No 2 man, Mario Papi. The Radical Party has a scarcity of leaders, both known and unknown, and for the time being it does not appear to play a key role. Enrique Silva Cimma, the party's spokesman, at least has good contacts with Latin American presidents (Alfonsin). Internally he is opposed by the until-now very quiet Anibal Palma, and Anselmo Sule and Orlando Cabtuarias remain in Mexico.

The Socialists have their leaders: Carlos Briones, Hernan Vodanovic, Ricardo Nunez, Akim Soto (although his power has been eroded), and Ricardo Lagos. Lagos appears to be a key individual because he is an ideologist and an economist, and also because he has a good grasp on the party's dilemma regarding the Communist Party.

Economy and Business

In the economic sector, there is one clear leader, Hernan Buchi, because of his knowledge and the total confidence that Pinochet has placed in him. He has been working quietly for the government for 2 years now, and the line of the Valparaiso business school (Pedro Ibanez and Carlos Caceres) has acquired importance through him. The military within the sector -- although not key individuals, they do have their importance -- has been "won over": Enrique Seguel in the presidency of the Central Bank, Manuel Concha as economy under secretary, Jorge Valenzuela as finance under secretary, and Fernando Horomozabal in the Production Development Corporation.

They are the military men who do not dictate economic policy, but oversee it and answer for it, and they have the president's confidence. If it were necessary, they would assume the management of the economy. And a fact that cannot be overlooked is that the Superintendency of Banks is playing an ever-growing role in the country's economic affairs, including the entire second-level management of the Central Bank (Herna Somerville, Francisco Pardo, and Francisco Garces).

The case of former Minister Manuel Martin is a special one. He is a key man who has very little support within the business sector, but he has open and quick access to the president and has always been the president's economic adviser. Although current economic policy does not follow his line of thought, if Martin were not placed where he is, economic policy, it has been indicated, would lean more toward a social market economy. Within the business sector, Manuel Feliu, president of the National Association of Mining, is a special case. He is the most influential man in the sector in view of his direct and continuous access to La Moneda Palace. He is the son of a military man and is very close to Pinochet.

Each business organization has its influential man. There is Ernesto Ayala of the Industrial Development Association, who has access to the Economy Ministry. Then there are Raul Garcia, second in command of the National Agricultural Society, and Juan Carlos Delano, president of the Chamber of Commerce. Angel Fantuzzi, a leader until last year, has been displaced. There is no one else.

The businessmen, who have clearly seen their power eroded, now measure their key figures in accordance with the foreign investment they can attract to the country. One person clearly emerges: Eleodoro Matte Larrain, general manager of the firm La Papelera. He has been the most successful in this respect by attracting a $300-million investment for the methane gas project in Punta Arenas. (During 1984 foreign investment in Chile totaled $76 million.) Together with Matte Larrain, the most powerful economic groups are those of Anacleto Angelini (fishing enterprises, the Association of Milk producers, and Cruz del Sur), and Andronico Lucsic (O'Higgins Bank, Madeco, Lucchetti, and the Arica-La Paz railway line), who is currently in London. Francisco Javier Errazuriz as a banker and businessman (National Bank, Unimarc, and Datsun) has his power center in another place. The media and his perseverance are his bastions. His proposals are being listened to with much more interest by the business sector and also lately at La Moneda Palace.

Hernan Felipe Errazuriz undoubtedly is a key figure for the country abroad. He is Chile's ambassador to the top diplomatic post, the United States. He is a key figure in the renegotiation of the foreign debt and has direct access to President Pinochet. But there are also other private individuals who have importance abroad: Jorge Lopez, general manager of El Indio; Roberto Schnell, general manager of the South African firm of Anglo America, the biggest firm in the world that deals in gold, which owns Hochschild in our country; Amador Huerta, of Citibank, is the most powerful foreigner in Chile; there is also Jorge Carey, a Chilean lawyer, whose offices have many contacts and much influence abroad.

Carlos Cardone is a key figure who merits a separate paragraph. A civil engineer, he began to obtain power in 1978 through the border conflict with Argentina. He has the largest private arms industry (3,000 employees) in the country and his exports contribute millins of dollars to the Chilean state.

The Catholic Church

Clearly the church is very powerful. Its words and works matter and decide. It has several influential personages, but today, for one reason or another, some are more influential than others.

Let us start with the new cardinal, Monsignor Juan Francisco Fresno, in view of his high morals, his post, his ever-increasing acceptance by the political sector, and the decisive support he is receiving from the Vatican. He and Msgr Bernardino Pinera, president of the Episcopal Conference, are the support of the Holy See's policy in Chile. Then there is always Cardinal Raul Silva Henriquez, who is no longer such a key figure. His principles continue in force, however, and he is the undeniable leader of at least one sector of the church. His is the church's best-known figure abroad and his trip to Europe played a decisive role in obtaining resources after the last earthquake. However, there is another priest playing an ever-increasing role with real power: Cristian Precht, the vicar general of Santiago's archbishopric. Precht, who is very close to Raul Silva Henriquez, works very closely with Fresno. Precht is the link between Henriquez and Fresno. In addition, Precht is charged with the pastoral organization of the archdiocese.

In addition, new figures have emerged associated with liberation theology. Sergio Torres, the parish priest of San Luis Beltran Parish, is a key man. A former member of the Christians for Socialism organization, Torres writes for the magazine PASTORAL POPULAR, which is being edited by the Diego de Medellin Center. Torres has attended congresses in Sao Paulo, the Philippines, New Delhi, and soon he will attend one in Egypt, with liberation theologians from all over the world. Torres is their principal Chilean connection.

In contrast to that trend, layman and theologian Fernando Moreno, who has been appointed by the Vatican to the Pontifical Commission for Nonbelievers, has emerged. In addition, close to the Vatican are the following Chilean citizens: Hector Riesle, the permanent Chilean ambassador to the Holy See (Riesle now has more connections in Europe since he married an Austrian noblewoman); Msgr Jorge Medina, deputy bishop of Rancagua and chancellor of the Catholic University, is a member of the International Theological Commission; Juan Ochagavia, assistant of the Jesuits' general; Egidio Vigano, president of the World Conference of Clergymen; and Father Francisco Javier Errazuriz, the world superior of Schoensstatt.

Father Renato Poblete, chaplain general of the Christian Home, is also important abroad due to his contacts with the liberal sector of the [U.S.] Democratic Party (Kennedy), the rector of Notre Dame University, and Latin American bishops. Baldo Santis, executive vice president of Caritas Chile, plays a decisive role because he handles all the supportive apparatus of the church and has close contacts with Christian Democrats.

Also important in the National Episcopate are Bishop Jose Manuel Sanchez, especially for his intellectual "Brilliance"; Bishop Tomas Gonzalez, for representing a trend supporting the inner hierarchy of the church; and Jesuit theologian Fernando Montes, who is constantly being consulted by the Episcopal Conference, for being very close to Fresno.

...And Others

There are other key people who are impossible to rate. Among them are some women: for instance, the first lady of the nation, for her influence over the head of state, for her public statements, and for presiding over the Chilean Mothers Association, an organization that is involved in every municipality and town in the country. Another key woman is Monica Madariaga, not for the posts she no longer holds, but for her statements and the role she could play in the future.

Within the university area, another key man is Juan de Dios Vial Correa, the newly appointed civilian rector of the Catholic University, for the post he holds and for the way he fulfills his duties.

Undisputably, Igor Saavedra, a scientist and professor at the University of Chile, is also a key man. Respected and with important ties abroad, Saavedra's stand carries weight. In fact, his opposition to the appointment of the new dean of the engineering school of the University of Chile has mobilized, for the first time under this regime, all the academicians opposed to the appointment.

Rafael Retamal is a key man because he is president of the Supreme Court and his importance will grow through 1989 because of the growing powers the judicial branch will gain as the Constitution, through its permanent provisions, is more strictly applied. Judge Jose Canovas is the key representative of the judicial branch at this point. Canovas' decision to thoroughly investigate the case of the three murdered Communists is an important factor.

It is also predicted that Harry Barnes, the newly appointed U.S. ambassador to Chile, will be a key man. A career diplomat, unlike Theberge, Barnes comes from the "heart" of the U. S. State Department and from a highly rated embassy, the one in India.

For the time being the trade unions lack key men. Manuel Bustos of the National Coordinating Board of trade unions has influence in the corridors and at the embassies. The power of the trade unions is dormant, like that of the mass media, which dwindled after the implementation of the state of siege. Many of them are heavily indebted. This is so because they no longer conform to the classic concept of the term "power," namely, "to have an unobstructed ability or power to do something."

DEMOCRATIC FEDERATION ELECTS EXECUTIVE BOARD

PY121710 Madrid EFE in Spanish 1549 GMT 11 Aug 85

[Text] Santiago, 11 Aug (EFE) -- The Democratic Federation, formed by parties of the democratic right, was created today with the installation of its executive board.

Hugo Zepeda Barrios of the Republican Right party, former president of the Senate and of the Liberal Party, was named president of the federation. Carmen Saenz, president of the National Party, and Gaston Urtea, president of the Liberal Party, were elected vice presidents. Tomas Puig, leader of the National Party, was named secretary.

MINISTER CONFIRMS 'IMMINENT' CABINET RESHUFFLE

PA131442 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 13 Aug 85

[Text] Bogota -- An imminent cabinet resuffle was confirmed by Labor Minister Oscar Salazar Chavez. An ordinary cabinet council session is under way at this time in which President Betancur is presumably deciding on replacements for the outgoing ministers.

It was fully confirmed that Minister Salazar Chavez will leave the administration, while the education, treasury, and agriculture ministers are also expected to resign. If indeed the cabinet shuffle is restricted to these four portfolio, it will respond to the requests by the outgoing ministers and not be associated in any way with the decisions of the national Liberal convention. President Betancur had allegedly been waiting for that convention to express an opinion regarding the current administration. Since the convention failed to do so, the changes will respond to earlier requests by the ministers, who cited personal reasons for their resignations.

Minister Salazar Chavez told the members of the press gathered at Narino Palace that the official announcement of the changes by the presidency's press office is imminent.

ARMY INTELLIGENCE THWARTS IPIALES TERRORIST PLAN

PA130435 Madrid EFE in Spanish 0408 GMT 13 Aug 85

[Text] Bogota, 12 Aug (EFE) -- The Colombian Army Intelligence Service uncovered and foiled today a terrorist plan which included multiple explosions in military installations, vehicles, aqueducts, and electric networks in Ipiales, Narino Department, in the southern part of the country.

The Presidential Press Secretariat released a communique on the thwarted occupation and noted that the terrorist plan included the placement of powerful bombs in Ipiales, near the Colombian-Ecuadoran border.

The plan was designed to affect the normal operation of public services, government offices, military and police installations, and other important branches of the national economy, the official statement indicated. The same source reported that many military vehicles belonging to the Cabal Cavalry Group of Ipiales Garrison were to have been blown up, causing incalculable damage to the unit and a large part of the city.

Although the authors of the plan were not indentified, the Narino Palace press office reported that these criminal acts are carried out by subversive organizations seeking to disrupt the normal development of citizens' activities and to hit the Armed Forces, which is in charge of maintaining order and state security. For his part, Defense Minister General Miguel Vega Uribe made an appeal to Colombians to remain vigilant and support the legal institutes by denouncing the criminals.

VALLE DEL CAUCA COUNCIL ANALYZES SITUATION

PA131836 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 13 Aug 85

[Text] Cali -- Valle del Cauca Governor Jorge Herrera Barona will chair a government council session this morning to analyze the situation in this department, especially in Cali, as a result of the kidnapping of industrialists Luis Grajales and Juan Martin Carvajal and the current insecurity that in the last few hours claimed the lives of 26 people under strange circumstances.

The latest violent events in Cali took place in the [name indistinct] neighborhood in southern Cali when unidentified individuals shot Lucia Guzman Rivera and Juan Antonio Caicedo, a couple traveling in a jeep with license plate No NE3930. The people of Valle del Cauca are alarmed about the prevailing insecurity throughout the department and have asked the governor's intervention to stop actions like the one that took place in Palmira where a death squad named black Flag [Bandera Negra] killed three people.

TWO M-19 MEMBERS ARRESTED IN SANTANDER

PA151846 Bogota EL TIEMPO in Spanish 9 Aug 85 P 7-A

[By Jairo Cala Otero]

[Text] Bucaramanga, 8 Aug -- Two men who stated they are members of the 19 April Movement (M-19) have been arrested with Armed Forces uniforms and M-19 pamphlets in a residence in the La Cumbre neighborhood in Floridablanca. They were identified as Julio Cesar Afanador Gelvez and Humberto Gomez Ferreira. The M-19 bulletin found in the possession of the two men refers to the death of M-19 cofounder Carlos Francisco Toledo Plata whose first anniversary will be on Saturday.

In El Playon, 40 km from Bucaramanga, Jorge Eliecer Meneses Lopez, an active member of the Communist Party, was arrested when he was photographing the police station.

The regional command of the Communist Party said that Meneses Lopez was taking photographs of some leftist slogans painted on the walls of the municipal building.

That town in Santander was militarized to combat the guerrillas who have recently appeared in the area.

FORUM STUDIES INTEROCEANIC CANAL CONSTRUCTION

PA102303 Bogota Television Service in Spanish 1730 GMT 9 Aug 85

[Text] The [words indistinct] is holding a forum with national [words indistinct] to evaluate the studies undertaken to date on the possible construction of Colombian interoceanic canal that would link the Atlantic and the Pacific. Here is a report by Hernando Martinez:

[Words indistinct] this project would be ready approximately at the end of the year 2000. Studies made to date by [words indistinct] and civil engineers, economists, and nuclear energy experts (?indicate) that the interoceanic canal that would link the Atlantic and Pacific oceans through Choco and Antioquia Departments will permit the passage of ships weighing up to 300,000 or more tons, which cannot now cross the Panama Canal. According to Colombian, French, and Japanese experts who advocate this new canal, the project must not only be evaluated as one in the national interest, but as one that will benefit the entire world. Its initial cost might be more than $2.5 billion. Colombia now has professionals capable of carrying out this project and it has received offers from Argentine and Brazilian nuclear energy experts for everything related to the blasting that would have to be done in Los Saltos mountain range.

SPP COMMUNIQUE SUPPORTS RADIO NANDUTI WORKERS

PY131902 Asuncion HOY in Spanish 11 Aug 85 p 7

[Text] In the wake of a resolution ordering a 10-day closure of Radio Nanduti, the Journalists Union of Paraguay [SPP] has voiced its solidarity with Radio Nanduti workers, who are again suffering the consequences of an official suspension, as they did in 1983.

An SPP communique states: "We express our solidarity with our fellow workers of Radio Nanduti who are again going through times of anxiety and uncertainty because of a 10-day suspension of the source of their livelihood, a suspension ordered by the National Administration for Telecommunications. The communique adds: "It may be recalled that in 1983 a similar step was taken against that radio station for 1 month. As was the case in 1983, the current suspension is based on an alleged 'incitement to subversion and disturbances...' by Radio Nanduti, an opinion we do not share because we consider it out of place."

Times of Tension

"Radio Nanduti fellow workers: We can imagine the times of tension you are going through after being temporarily deprived of your livelihood, especially during these times of economic crisis. You may rest assured that, from their respective jobs and in the course of their daily struggle to earn a living, the other members of the journalists trade union are not insensitive to this new arbitrary action," the communique adds.

In addition, the communique expresses solidarity with Radio Nanduti Director Humberto Rubin, the principal target of the censorship adopted against his enterprise for exercising freedom of the press." [quotation marks as published] In conclusion, the SPP expresses its willingness to undertake any solidarity action that the Radio Nanduti fellow workers demand.

FORMER ABC COLOR HEAD ZUCCOLILLO ON PRESS FREEDOM

PY100139 Paris AFP in Spanish 0424 GMT 9 Aug 85

[Text] Asuncion, 8 Aug (AFP) -- Aldo Zuccolillo, director of the Paraguayan newspaper ABC COLOR, which was closed down by the government, today told AFP that his independent stance remains unchanged, that his newspaper should be allowed to reopen, and that there should be press freedom. Zuccolillo made these remarks on the 18th anniversary of his newspaper.

The anniversary was marked by a mass at metropolitan cathedral, during which the events that led to the closure of the paper 17 months ago by President Alfredo Stroessner's regime, were recalled. The mass was held under police surveillance, and police personnel took positions inside the cathedral.

Zuccolillo emphasized: We are still awaiting the lifting of this unconstitutional and unjustified measure, but if ABC COLOR must die this way, it will go proudly without giving up any of its freedom and independence. He also explained that for the time being the government has not shown any indication that it seeks rapprochement and it has shown even less inclination toward dialogue.

The newspaper director refuted reports that the paper will be sold to a U.S. news network, and stated that his former staff, now employed in other news media or unemployed, as well as Zuccolillo himself, still have hopes that the newspaper will be reopened simultaneously with the acknowledgement of the rights and freedom of all Paraguayan citizens.

Former ABC COLOR employees and workers handed out to those present at the mass a manifesto stating that the day ABC COLOR becomes available to the people again will be the dawn of a new Paraguay, and that day should not be too distant.

This remark apparently constituted a reference to the economic crisis that the nation is experiencing, a crisis which Zuccolillo said his newspaper always denounced. He said it had also predicted the disastrous consequences of administrative corruption for the country.

Zuccolillo added: Amid the economic and labor uncertainty, the only thing we are sure of is that some day we will be together once more to do our best and repay our people for their trust.

The manifesto stated: ABC COLOR had become a pain in the neck because it preached patriotism, honesty, and justice while its workers tried to give an example of what they preached.

According to former ABC COLOR personnel, the daily's strength was its personnel and their desire to do things better every day. However, instead of appreciating this example, our government could not find anything better to do than close the paper because the rulers thought ABC COLOR's good example was a bad one.

Regarding his former employees' manifesto, Zuccolillo told AFP it would be very difficult for the journalists who worked for him until the newspaper closed to pick up any banner other than freedom of the press because they actually enjoyed that freedom, and whenever we were censored or had to censor ourselves, they struggled to regain ground that had been lost.

Meanwhile, some of the journalists that are unemployed or working for some other media, evaluated their economic and labor situation and concluded that ABC COLOR's closure meant a significant loss for them in every sense.

Only two news media recalled today that ABC COLOR closed down on 22 March 1984: Radio Nanduti, owned by Humberto Rubin, which paid spontaneous homage to the defunct paper by broadcasting ABC COLOR's jingle: "I am painting a new sky full of hope and love so that we can meet in a better future"; and the evening newspaper ULTIMA HORA.

GARCIA HOLDS UNANNOUNCED MEETING WITH NUNCIO

PY40146 Paris AFP in Spanish 2139 GMT 13 Aug 85

[Text] Lima, 13 Aug (AFP) -- Peruvian President Alan Garcia today held a meeting in Lima with Papal Nuncio Msgr Mario Tagliaferri. According to a high-ranking leader of the governing American Revolutionary Popular Alliance (APRA), the 2-hour meeting was very cordial.

Deputy Carlos Roca, who made the statement, also indicated that President Garcia is preparing a trip to the UN headquarters, during the month of September, to attend the international organization's 40th anniversary celebrations.

The unannounced meeting was held at the nunciature and was attended by Peruvian Cardinal Juan Landazuri Ricketts, several bishops, Foreign Minister Alan Wagner, Justice Minister Luis Gonzales Posadas and APRA leaders Nicanor Mujica and Carlos Roca. At the end of the meeting Msgr Tagliaferri said that he had wanted to congratulate the new Peruvian president. He also said that Garcia had visited the nunciature before and after his election and that, although he will soon end his diplomatic tour to Peru, he hopes to meet with the chief of state again.

Roca, for his part, said that the APRA government gives great importance to its relations with the church.

ALVA CASTRO ANNOUNCES IMPORT RESTRICTIONS

PY131928 Paris AFP in Spanish 1522 GMT 13 Aug 85

[Text] Lima, 13 Aug (AFP) -- Prime Minister and Finance Minister Luis Alva Castro today reported that the new Social-Democratic government of Peru has imposed restrictions on and mandated "previous permits" for the import of 1,786 products to protect national industry. He added that cigarettes, liquor, firearms, art objects for collectors, antiques, rugs, and many other articles are among the restricted products.

This measure aims at directly protecting the textile, steel, glass, metalworking, electric appliances, and various other industries, he explained. The minister said a total of 33.6 percent of Peru's imported articles, were submitted to import restrictions, adding that importing them will require previous import permits.

Alva Castro said another reason for the measure is to help rationalize the undue use of foreign currency for luxury and superfluous articles. He also announced that the government has decided to increase to 30 or 35 percent the so-called Certex (tax refund and credit facilities) to favour about 300,000 exporters of Peruvian handicraft products.

PERCOVICH DENIES INVOLVEMENT IN DRUG CASE

PY121904 Lima Cadena Panamericana Television in Spanish 0130 GMT 12 Aug 85

[Excerpts] Former Prime Minister Luis Percovich, who is currently in Miami, is now contacting our "Panorama" program over the phone.

[Reporter] Dr Percovich, you are on vacation there, but here you have been called as a witness by the General Attorney's Office regarding a drug traffic case that has aroused the concern of the public, a case involving Arnaldo Rodriguez, several generals of the Investigative Police of Peru [PIP], and other authorities. What can you say in this regard?

[Percovich] In fact, I learned of this situation when I was in Guadalajara, where I went on Sunday, 4 August. I can tell you in the first place that I am annoyed and disgusted at the bad use that is being made of the freedom of press by some media in Peru. I regret that a constitutional gain should be used by some newspapers to slander and defame public life, and not to investigate and scrutinize it. I hope that this misuse of the freedom of the press will not go unpunished.

Talking directly about the case you asked me about, I can tell you what I have already said in the telex message I have sent to the newspapers LA REPUBLICA and EL COMERICIO that, as a public servant who has held several positions, I am ready for any investigation of my conduct. I will appear as often as I am summoned to give information and testimony. I will do so gladly, because my conscience is clean and my spirit is calm, since all my actions have been guided by ethics and honesty, which are permanent attributes of my conduct.

[Reporter] Dr Percovich, you have talked about the communications media. However, not only the communication media have referred to this case. Dr Cesar Elejalde, prosecutor for the General Attorney's Office, and Deputy Fernando Olivera, Christian Popular Party, who also worked for the General Attorney's Office, have noted that you were informed in time of the connection of a large group in the PIP, including top directors, with cases of drug trafficking, and that you did not take any action at the time.

[Percovich] I find it strange that this type of information has been made public. The only occasion on which I talked about this question with Dr Elejalde was when he indirectly voiced opposition to the promotion of General Jose Jorge Zarate, not in my office, but in that of another government official, by saying that the general was subject to investigation by the General Attorney's Office and the DEA [presumably Drug Enforcement Agency]. On the basis of this information, provided indirectly, the Command's proposal to promote Gen Zarate was held up, and the vacancy was not filled. I have had no other information regarding the situation which is now presented as a statement by Prosecutor Elejalde.

[Reporter] Do you then deny that you talked with Dr Elijalde and Deputy Olivera?

[Percovich] No. I have not talked with Deputy Olivera at any time; as for Prosecutor Elijalde, as I have told you, only when Gen Jose Jorge Zarate's promotion was mentioned.

[Reporter] Dr Percovich, when will you be in Lima?

[Percovich] I will return to Lima immediately, although I had planned to take a vacation with my family for 1 or 1 and 1/2 months, after 5 years in public office. Now that these things have come up, I have decided to return to Peru immediately, so that I can confront with determination this infamy that is being woven around my person. The decision has also to do with my need to return to my private activities that have been quite neglected for 5 years.

PETROPERU CHAIRMAN BEGINS REORGANIZATION PROCESS

PY131841 Lima Radio del Pacifico in Spanish 1300 GMT 13 Aug 85

[Text] The total reorganization of Petroperu [State Petroleum Agency] began today as announced yesterday. Dr Alfredo Carranza Guevara, chairman of the board of this agency, which is part of the Mines and Energy Ministry, today began the reorganization process announced by President Alan Garcia Perez. Carranza reduced access to the public only to offices where there are no documents. As reported by reliable sources, Carranza is meeting with top officials who worked with previous directors.

Although nothing was officially announced, it was learned that the reorganization will be completed in 60 days, depending on a resolution to be passed by Congress.

POLICE, STRIKING MARITIME WORKERS CLASH IN LIMA

PY140329 Madrid EFE in Spanish 0259 GMT 14 Aug 85

[Text] Lima, 13 Aug (EFE) -- A demonstration staged by workers of the Maritime Industrial Service (SIMA), who have been on strike for almost a month, today ended in clashes with policemen in downtown Lima, leaving 3 demonstrators injured and 22 arrested. The demonstrators were prevented from entering the Plaza de Armas and from stating their salary demands outside Government Palace. The workers, who were dispersed with water cannons and tear gas, fought back with stones. Police sources have said that more than 20 demonstrators were arrested.

PIP ANNOUNCES CAPTURE OF SHINING PATH TERRORISTS

PY121600 Madrid EFE in Spanish 2040 GMT 11 Aug 85

[Excerpts] Lima, 11 Aug (EFE) -- It was reported in Lima today that eight presumed terrorists, some of whom participated in the killing of five policemen and in the attack against Domingo Garcia Rada, president of the National Electoral Board, have been captured by the Peruvian Investigative Police [PIP].

According to reports released by the PIP Antiterrorist Directorate [Dircote], the detainees, who were arrested over the past few weeks, perpetrated more than a dozen attacks from late 1984 to July 1985. In March, one of the detainees called Gustavo Escobedo, along with another detainee Humberto Acaro, who was imprisoned some time ago, killed PIP agent Sofia Custodio, Civil Guard Jose Barraza, Republican Guards Juan Gutierrez and Eduardo Iberico, and university student Carlos Pinto. Lizarda Reategui, alias Comrade Julia, and Cesar Leandro Mendoza, alias Comrade Andres, are charged by Dircote with killing PIP Major Luis Dulanto.

The other five detainees, who have participated in the dynamiting of high-tension power pylons and in attacks and robberies of explosives in Lima and in cities located in the interior of Peru, are: Narciso Valencia, Fermin Cuello, Alipio Huaman, Guillermo Zavaleta, and German Galvan. PIP has stated that all the detainees belong to the Shining Path organization

BRAZIL'S SARNEY CONTINUES VISIT, MEETS SANGUINETTI

PY130146 Montevideo Radio Carve in Spanish 0000 GMT 13 Aug 85

[Text] Uruguayan President Julio Maria Sanguinetti and his Brazilian counterpart, Jose Sarney, have expressed their firm political willingness to promote bilateral economic and commercial integration. At the conclusion of the first meeting between the two presidents, Uruguayan Foreign Minister Enrique Iglesias made the following statement:

[Begin recording -- in progress] ...And it reflects the political points of agreement between the two presidents regarding major issues for Latin America, for the international community, and for our bilateral relations.

I would like to point out that the first major contribution of this historic Brazilian presidential trip is the reaffirmation of the two governments' devotion to democracy. United behind their common democratic ideals, the two governments have expressed their points of agreement on key issues for Latin America, such as the foreign debt, the Central American conflict, and the preservation of peace, an aspiration for which the two countries have fervently struggled in all international forums.

All of this is part of a political declaration that is the first result of the general result of the general accord reached today.

In addition, several agreements have been reached in areas dealing mainly with a scientific-technical cooperation accord, which is very important for our country because of Brazil's major advantage in the area. The agreements also deal with a broad cultural exchange that covers various cultural sectors such as teaching, television, and [words indistinct].

As for the economic and commercial area, the Montevideo accords have provided a political background that will pave the way for a fruitful cooperation process. This is the start of a trend of uninterrupted cooperation, for which specific matters have already been addressed. Commercial relations have been discussed regarding specific items. However, most important of all, mechanisms have been agreed upon for summoning a ministerial commission headed by the foreign ministers of the two countries within the next 90 days (?in Brasilia). The objective of this meeting will be to evaluate, at the ministerial level, [words indistinct] who are in charge of the respective agreements. The meeting will serve to ensure compliance with the agreements reached in Montevideo.[end recording]

Addresses Congress

PY131752 Brasilia Domestic Service in Portuguese 1428 GMT 13 Aug 85

[Address by Brazilian President Jose Sarney to a formal session of the Uruguayan Congress on the occasion of his visit to Uruguay -- live relay from Montevideo]

[Excerpts] Your Excellency President of Congress Enrique Tarigo, Your Excellency President of the Chamber of Deputies Antonio Marchezan, Your Excellencies Senators and Deputies, ladies and gentlemen: This is my first trip abroad as president and I have come to Uruguay.

Congress is the best school of public life. Here we learn to work for everyone and to struggle to make our society better. Here we debate projects we will never enjoy, the construction of schools where we will never study, roads we will never travel, and energy projects whose power will not light a single light bulb for us. Without Congress there is no democracy, without democracy there is no freedom, and without freedom man's only aspirations are hedonistic. [applause]

We are all aware that this is a difficult time in our history. We have fallen behind in fulfilling our duty to provide our peoples with the means to achieve well-being and to improve standards of living. Everyone is in a hurry to recover what has been lost, but we must have patience. Waiting is difficult and that is the source of all the problems we public men have to deal with amid the enormous desire for change, the need to do away with injustices, and the limited time and means we have to accomplish this. This is the source of our anxieties, which are felt not only by those who call upon us for action, but also by ourselves as the channel for their claims.

Freedom, fair salaries, social justice, democracy, development, and security are part of our everyday toil. These words have meaning in the constellation of problems with which we must cope, in the quest for a balanced combination, because freedom cannot be the philosophy of suicide and security can never pave the way for homicide. [applause]

We need to create a new international economic order capable of generating prosperity and new prospects for our countries. We need to create increasing links of identification and solidarity. We need to react against the reduction of our export products' prices and against the protectionist barriers that condemn us to shameful dependency and to the paralysis and liquidation of our productive establishment. We need to defend ourselves against the unilateral increase of punishing and [word indistinct] interest rates. In sum, we need freedom to confront imbalances through free international trade. We can find examples and reflections of that policy in our relations with Uruguay. Brazil and Uruguay have been forced to reduce their trade, which has fallen to extremely low levels, in order to fulfill obligations and to generate surpluses in our trade balances. Our wish and our interest is to intensify every aspect of our national trade.

At the international level, Brazil will pursue its (?dearest values), preaching what we do on the domestic front: to seek a peaceful solution to all conflicts, nonintervention, world peace, self-determination of peoples, and intransigent defense of our interests. With Uruguay, especially, we must establish the closest possible relations, because this is an extraordinary country that throughout its history has affirmed its own values, has fought for them, has lived for them, and has asserted itself thanks to the extraordinary force of its great people. [applause] Its heroes, its public men, its traditions, and its writers and artists have permitted the creation of this great nation, which is small in territory but immense in its great values. To pay homage to it, in the house of the people, (?admiring the valor of) its past and its present, I greet it with great hope for its future. We will always be together, and if Brazil can help and contribute to that future, I can say, as president of Brazil, here we are. Thank you very much.

USSR ENVOY DENIES DEPUTY EXPELLED FROM USSR

PA132348 Caracas Television Service in Spanish 0000 GMT 13 Aug 85

[Text] Vayno Vayalyas, the Soviet ambassador in Venezuela, has denied that Venezuelan Deputy Carlos Tablante was either mistreated or deported from the Soviet Union. Here is a report by Angel Bustamante.

[Begin recording] [Bustamante] During a meeting with MAS [Movement Toward Socialism], Pompeyo Marquez, the Soviet ambassador issued an official report on the Tablante incident, stressing his hope that it will not tarnish the relations between the two countries. Pompeyo Marquez explains:

[Marquez] He explained that Deputy Tablante exercised all the prerogatives of his position, that at no time was he harassed or asked to leave the Soviet Union, and that he was seen off at the airport by Mr Aksenov, president of the Committee of Youth Organizations of the USSR. The thing to do is wait for Deputy Tablante to return and ask him what happened.

[Bustamante] It was learned through sources close to Carlos Tablante that the deputy is due back in Venezuela on 25 August. [end recording]

NICARAGUAN LA PRENSA DIRECTOR MEETS LOCAL LEADERS

PA091900 Caracas EL UNIVERSAL in Spanish 2 Aug 85 p 1-19

[Text] Jaime Chamorro, co-director of the Nicaraguan newspaper LA PRENSA, has paid a courtesy visit to the Venezuelan Press Bloc. Chamorro, who has been in Caracas since Saturday, has met with Venezuelan political and business leaders.

In his visit to the Venezuelan Press Bloc headquarters, Chamorro warned about the Nicaraguan situation, which he believes is a real confrontation between East and West.

"The question that we have is, under what system we are going to end up; whether it will be under the bloc led by the United States or the one led by the Soviet Union. This is important not only for Nicaragua and Central America but for the entire continent."

So far, Chamorro has met with former President Luis Herrera Campins, Democratic Action Secretary General Manuel Penalver, Congress President Reinaldo Leandro Mora, and former Ambassador to Nicaragua Guillermo Yepez Boscan, among others.

He complained about the prior censorship that exists in his country, indicating that LA PRENSA is the only independent newspaper left in Nicaragua.

"The reality is that the censorship is total: Any kind of news is censored. The television is completely Sandinist and the same is true for the radio. Of the 20 radio newscasts that had been on the air, only six pro-government newscast are now on the air." He also said that private enterprise, "which continues to live with great difficulty" is being gradually weakened so it can subsequently be confiscated by the regime.

NORIEGA SPEECH VIEWS DOMESTIC, REGIONAL STATUS

PA130258 Panama City Domestic Service in Spanish 1558 GMT 12 Aug 85

[Speech by General Manuel Antonio Noriega, commander in chief of the National Defense Forces, at a ceremony to mark the first anniversary of the founding of the 2000 Battalion at Ft. Cimarron in Panama Province -- live]

[Text] Your Excellency, president of the Republic of Panama; Messrs vice presidents of the Republic of Panama; top representatives of Panama's religious community; Messrs representatives of the military forces friendly to the Republic of Panama; friendly trade unionists present; businessmen friends; gentlemen:

On the day of the land forces represented in this first anniversary of the 2000 Battalion, my first words are of gratitude because it is not by sheer coincidence that our trade union, business, political, and youth leaders are attending this event on a regular work day. We are grateful for the presence of the relatives and friends of this institution's members, to whom this event was originally to be dedicated but which we have now had to expand in order to dedicate it to all representatives of the government team. We are grateful for the presence of the dedicated members of ASEFUDEP [Association of Wives of Panamanian Defense Forces Members], who are a part of our institution's moral reserve. [applause] We are grateful for the presence of our brothers, the reservists, who are represented here at their highest level by Colonel Armando Contreras, one of the visionaries involved in the creation of the first battalion. [applause]

Allow me to interpret your presence here as an inevitable need that emerges within the process of expansion in our evolution as a uniformed people. The Defense Forces constitute the fourth level of the Panamanian soldier in his evolutionary cycle, which began with the national army of the Great Colombia era, the National Police or unarmed army at the outset of the Republic, and now the National Guard and Defense Forces. This shows us that it is an organization with a specific profile, typical of the Panamanian state in its historic, cultural, and moral roots, and that it constitutes a pattern of existence that will remain for as long as the Republic exists.

In accordance with this doctrine, we have evolved internally with an approach that is geared to development, reform, and nationalism, and is also Torrijist. [applause] We have given validity to the principle that states that the national defense is directly related to development and human well-being. We also maintain a methodology characterized by participation, intended to involve the popular sectors, especially the peasants and workers, as well as the businessmen and those sectors that display intelligence in their contributions to the search for solutions to the current social drama -- which constitutes a silent threat.

Abroad, we play a role in the area's geopolitical reality and we act responsibly in the task of maintaining Panama as a sanctuary of peace and brotherhood in Central America.

We constitute not only a force with military missions and functions, but also a human organization in which one-third of its total membership demands attention in this Year of Youth because they are less than 24 years old. This organization upholds the incorporation of women into the garrison's active life, which constitutes a revolutionary historical change. They total 1,824; 686 of them are less than 25 years old, and 1,138 constitute a social majority, who may be both fathers and mothers in their respective homes. This shows that we have a humanistic organization, made in the image of the Panamanian people's vices and virtues, because our real artisans are also the majority in our society.

Gentlemen, Article 2, numeral 2 of the Torrijos-Carter canal treaty states, and I quote: This treaty will expire at noon, Panama time, on 31 December 1999. Today, thanks to the implementation of the Torrijos-Carter treaties, the defense of the canal is a joint Panama-U.S. responsibility. The latter is currently represented in this area by a professional soldier, General Galvin. But this is only until the year 1999. Thus, in another 14 years, which are almost up, Panama will be charged with defending its canal.

Thus, the creation of the 2000 Battalion, its effective training, the daily improvement of the defense forces' techniques and discipline, the special studies conducted in friendly countries of Latin America, Asia, and Europe, alongside the hierarchical expansion of our military cadres in specific positions abroad, held by prestigious figures like Major Serrano, Major Herrera, Captain Castrellon, Major Martinez, Major de Gracia, and Captain Rodriguez, represent the preventive measures that will enable us, when the long-awaited moment arrives, to say alongside our people: Panama, present. Here we are, your children, as a single 2000 Battalion, ready to defend you and work for your canal, with the knowledge and courage of our weapons and our professionalism, under the inspiration of your red-white-and-blue flag.

This doctrine, which calls for an efficient national defense by means of well-trained Panamanian soldiers with profound devotion to the homeland and clear awareness of their duties to the land that saw them born, and for a defense force with the highest level of professionalism among its chiefs, officers, NCO's, and troops, is the response we give to those voices -- ominous, emerging from libraries, unpatriotic, and apocalyptic -- which seek to create the impression that Panamanians are incapable of defending their homeland and their canal. They are the same voices that would like to see us reach the year 2000 unarmed and without sufficient preparation so they could then beg the foreign forces to stay in the national territory.

The Defense Forces indignantly reject those prophets of doom [applause] prophets of doom and surrender. As commander in chief, we stress that the Panamanian soldier's weapons will not sit near the canal to cry like King Boabdil over either impotence or defeat. On the contrary, they will be erect and vigilant, both now and after the year 2000 to reject any foreign enemy and to curb any domestic destabilization.

Given the tense balance created by the prospect of a nuclear holocaust, the Panama Canal will continue to have strategic value for a long time vis-a-vis conventional conflicts. Thus, the Panama Canal's defense does not consist of pure and simple vigilance over more than 135 vulnerable points, nor does it merely provide maintenance for the quick passage of ships through the waterway. If our canal is going to continue contributing to our national development, if it is going to be trusted at international level and not become an ambush against maritime trade, it must be safeguarded with love and dedication, as the most important heritage of our Panamanian nationality. A great part of its defense is comprised by a psychological ingredient; we must create an effective atmosphere of security which indicates that any attempt to attack or sabotage would have a high, unprofitable cost.

Let us recall that Hitler's Germany did not take over small and peaceful Switzerland, not because it could not or did not want to, but because it would have had to pay a high national price. Let us recall a 16th century political genius who said that the defenses that depend on you, only on you and your courage, are good and durable. When the people's human and political nature are perfected then, perhaps then, weapons will be scrapped. When the bevy of international organizations created for peace and development effectively fulfill their noble purposes then, perhaps then, the arsenals throughout the world will be filled with agricultural and industrial machinery.

However, as long as this does not happen -- and as far as Panama is concerned -- the Defense Forces have the constitutional, moral, and civil duty to safeguard our internal peace and security, and protect and defend the heritage that is shared by all Panamanians, particularly those who will take over and guide us, the men to whom the United Nations has dedicated the year, the youths who are between 15 and 24 years old.

The winds of war are blowing in every direction of the Central American isthmus. So far, Panama has been politically and militarily safe from these winds. However, this has not been mere coincidence. If the war has not hit us directly it has been because we have made tactical and strategic contributions -- in accordance with the Panamanian nation's interests -- toward the achievement of peace in the region.

Panama is threatened by an imminent migratory explosion that might spill over from Costa Rica -- which has 250,000 legal and illegal immigrants, and 30,000 registered refugees, the majority of whom are Nicaraguans, Salvadorans, Hondurans, and a few Guatemalans. This represents about 1 percent of Costa Rica's population. However, the most dangerous thing is that there are already some refugee camps in Limon, 50 km from the Panamanian border; in Buenos Aires which has 7,500 refugees; and in Talamanca, which has 5,000 refugees.

All this, gentlemen, is 2 hours from Panama's border. The residents of the Chiriqui border areas -- Canas Gordas, Rio Sereno, Piedra Candela -- have started to complain about refugees trespassing on their property, in search of better wages and food. The leaders of Chiriqui, including political leader Alberto Sitton, have clearly denounced this. We will offer the necessary security to that region of our country, Chiriqui, with the new Peace Battalion [soldiers shout: "Here!"]. It will become part of the region with a developing doctrine and it will provide that which the community needs from all the state-owned organizations.

The Peace Battalion [soldiers shout: "Here!"] will be strengthened through a construction company and an agricultural squad. The Peace Battalion [soldiers shout: "Here!"] will have a slogan [soldiers shout: "For the Homeland, Forward!"]: For the Homeland, Forward.

It is appropriate to stress during a solemn ceremony like this that the Panamanian people's hearts must become strengthened by the need and hope for peace. This should not be a verbal peace; it should be a real peace. This peace is the best blessing that God may grant to men, and this peace is what defends us from the sorrow, violence, and suffering being experienced by many brothers in the area. We will never tire of bearing the torch of this peace, of taking it to every corner in the country and to neighboring countries. We will insist on this because the light of that torch is the only one we consider acceptable for our people.

It is necessary and urgent to create a balance at the national level. This will allow the Panamanian people to seek effective formulas to solve our most vital problems, such as the economy and unemployment. However, this must be done within the framework of putting our national interest above all. Achieving that balance is peremptory because a simple glance at our homeland shows us that discontent, not satisfaction, is steadily growing.

There should be no confusion concerning the Defense Forces' position toward national interests. It means that the economic solutions must be based on respect for the rights and achievements of workers, peasants, industrialists, and all the productive forces comprising the backbone of the Panamanian economy.

The Defense Forces of Panama, which have been creating solid links with the Panamanian people since 1968, are interested in strengthening these links because we understand that joint efforts and harmony mark the economic and political development of a nation. The solid links prevailing between the workers and the Defense Forces of Panama since the years of our General Torrijos will gather more strength and importance during these periods of crisis, under the sacred principles of a right to a job, respect for people's achievements, and economic security for the Panamanian families. When we stress the links between the people and the Defense Forces of Panama, we do it fully aware that deplorable incidents, and we are the first ones to deplore them, occasionally pit the men in uniform against the student groups as antagonistic and irreconcilable forces. The fanatics who are enemies of the unity prevailing between the Defense Forces and the people have played a negative role in this. They struggle to divide us, but they cannot achieve their goal. They raise the banner of an antimilitaristic ghost to thrive and launch a political career under its shadow without having charisma, and through shedding other people's blood.

The Defense Forces' duty is to safeguard the lives, honor, and property of the citizenry, and this is an irrevocable right. However, this does not preclude or oppose a dialogue. This does not oppose a discussion of problems and other acts without pledges, conditions, or arrogance. This means that the acts to be carried out by every sector may be done freely. These acts should be carried out freely, in a decent way, in a peaceful manner with respect for all the other sectors.

This constant dialogue, which was openly maintained in the past, will be emphasized by the Defense Forces again as a healthy and convenient need. We advocate a broad dialogue between the youth organizations and the Defense Forces, and we reiterate this as another element of the peace torch. We are sure that this will not be disregarded or overwhelmed by the voices of intransigent people -- we do not name them -- who only wish evil for the homeland and sorrow for the humble Panamanian families.

Gentlemen, we wish to make a statement for the record: We have never represented an obstacle to democratic decisionmaking by the government.

Gentlemen, we wish to state that we have viewed the confusion created by the free adoption of ideas. Gentlemen, we wish to state that we have never repressed activists who did not respect others' rights. Gentlemen, we wish to state that libertinism and abuse have taken the upper hand in the name of democracy. Gentlemen, we wish to state that we are observing, with deep concern and meditation, the way in which the scale of moral and material values has been inverted in our society, programmed by the enemies of the same democracy they claim to defend.

Institutionally speaking, I tell the Defence Forces that: 1. We have entered the second phase of the original 5-year plan prepared by the G-3 commission.

2. The promotions calculated at every level, from corporal to colonel, will be effective in October, when the economic conditions created by the adjustments carried out by the G-4 according to the norms of the Planning and Economic Policies Ministry allow this measure. This will coincide with the organizational chart and completion of the course to promote sergeants, which was carried out at the Jose Doming Espinar Center. For the first time, all those up for promotion will take civil and professional exams.

3. The administrative and active female contingent will have its own commander, a captain in the active forces.

4. The Jose Doming Espinar Center has accepted a plan to discuss national problems at civilian level during days of meetings suggested by a group of new and young businessmen and labor leaders.

I wish to renew a promise today: The men and weapons that will parade in front of you belong to the Panamanian people. Those men and weapons represented there, in that polychromy of uniformed soldiers in San Miguelito, Pedregal, Juan Diz, Tocumen, Chepo, Curundu, Chorrillo, Panama Viejo, Boca La Caja, Chiriqui, with the people of Rio Sereno, Canas Gordas, David, Las Lomas, Veraguas, Santa Fe, Las Palmas, Santiago, Herrera; the flatlands of Ocu and the men in the mountains, Mariato, Quebro, La Arena, Los Santos, Tonosi, Guanico Arriba, Sabana Grande, Guanico Abajo, Cocle, Coclecito, Ciudad Romero, El Cope, Darien, Sambu, El Real, Yaviza, Pinogana, Colon, Nombre de Dios, Portobelo, Rainbow City, Bamboo Lane, La Playita; the Indian reservations in Veraguas, Chiriqui, and Darien; Bocas del Toro, Almirante, Teribe; the Kuna Indians, the Kuna and Choco Indians; the workers, businessmen, students, and peasants who believe in Panama we tell you all: These are your weapons and these are your men! [applause]

Soldiers, let us renew the promise with the echo that reaches the year 2,000 and thereafter. Motorized Traffic Patrol! Army Band! [Soldiers shout: "Here!] Color Guard [Soldiers shout: "Here!] 2,000 Battalion [Soldiers shout: "Here!] Aquarius Platoon! [Soldiers shout: "Here!"] Female Traffic Platoon! Free-Style Military Skydivers! 2nd Airborne Puma Company of the 2,000 Battalion Diablos Rojos 3d Infantry Company! Umraca 4th Infantry Company! [Soldiers shout: "Here!"] Victoriano Lorenzo 5th Military Police Company! [Soldiers shout: "Here!"] 5th Military Zone's Band! (Soldiers shout: "Here!"] 6th Mechanized Expeditionary Infantry Company! [Soldiers shout: "Here!"] Machos de Monte 7th Infantry Company! [Soldiers shout: "Here!"] Military Police 8th Company! [Soldiers shout: "Here!"] 1st Company of the Cemaco 4th Battalion! [Soldiers shout: "Here!"] Tigres 1st Support Company of the 2,000 Battalion! [Soldiers shout: "Here!"] Communications Department! [Soldiers shout: "Here!"] 2nd Military Zone's Band! [Soldiers shout: "Here!"] Doberman Public Order Company! [Soldiers shout: "Here!"] Tourism Police! [Soldiers shout: "Here!"] Community Police! (Soldiers shout: "Here!"] Panajungla School! [Soldiers shout: "Here!"] Frogmen's School! [Soldiers shout: "Here!"] Panamanian Air Force! [Soldiers shout: "Here!"] National Navy! [Soldiers shout: "Here!"] Jose Domingo Espinar Training Center! [Soldiers shout: "Here!"] Fuerte Cimarron Military Instruction Center! Military Health! [Soldiers shout: "Here!"] Investigations Department! [Soldiers shout: "Here!"] National Immigration Department! [Soldiers shout: "Here!"] Cavalry Squad! Cimarron Recruits! [Soldiers shout: "Here!"] Peace Battalion Recruits! [Soldiers shout: "Here!"] Engineers Company! [Soldiers shout: "Here!"] Union Members and Commander Omar Torrijos Herrera [Soldiers shout: "Here!"] [applause]

Announces Visit to Nicaragua

PA130306 Panama City ACAN in Spanish 0120 GMT 13 Aug 85

[Text] Panama City, 12 Aug (ACAN-EFE) -- General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, will visit Nicaragua this week to continue his mediation between the Sandinists and the Costa Rican authorities.

The top Panamanian military leader made this announcement at the end of the events commemorating the second [as received] anniversary of the "2,000 Battalion," charged with guarding the Panama Canal when it reverts totally to local authorities. Noriega did not state the exact dage of his visit to Managua, although it is estimated that it might be in the coming 48 hours. Noriega visited the Costa Rican capital on 7 August for the third time this year with the purpose of meeting with President Luis Alberto Monge.

The ranking Panamanian military leader is mediating between the authorities of both nations with the purpose of getting government representatives of the two nations to sit down together at the same table of negotiations. Recently Costa Rica, a country which dissolved its army in 1948, asked Panama to be ready to offer its military support in the event of a confrontation with neighboring Nicaragua.

Cen Noriega, however, declared: "We are exhausting every effort to avert a confrontation and a polarization between friends and enemies."

The Costa Rican-Nicaraguan border is currently the area of great tension in the region in the wake of fierce fighting between the Sandinist Army and rebel troops of Eden Pastora. The Costa Rican Government recently denounced air space and land violations on the part of the Sandinist authorities.

PRESIDENT ANNOUNCES PLAN TO PROMOTE U.S. INVESTMENT

PA131843 Panama City Televisora Nacional in Spanish 0000 GMT 13 Aug 85

[Text] The National Investment Council will open offices in Chicago, New York, and Miami, and will issue job creation certificates similar to tax payment certificates as part of a strategy designed to promote investments.

These announcements were made by President Nicolas Ardito Barletta during a meeting of the National Investment Council in the Presidential Palace this afternoon. Ardito Barletta said that without investments there are no jobs, and that in the next 3 years investments totalling approximately 300 million to 500 million balboas will be required to reduce present unemployment levels.

The president emphasized the value to the National Investment Council and private enterprise in general. He said that the country demands serenity, lucidity and a serious commitment to democratic dialogue of all Panamanians. He added that the present difficult times are temporary. The president said that the work of the council will be coordinated with the Panamanian Foreign Trade Institute and the national diplomatic corps for an integrated promotion of Panama in the United States.

COSTA RICA

GOVERNMENT DENOUNCES NEW NICARAGUAN EPS ATTACK

PA131741 Panama City ACAN in Spanish 1720 GMT 13 August 85

[Excerpt] San Jose, 13 Aug (ACAN-EFE) -- The Costa Rican Government has denounced a new attack by the Sandinist People's Army [EPS] against a Civil Guard post in the border area of Guestomate de la Cruz, Guanacaste Province, northwest of the capital. In reporting on the new incident, Information Minister Armando Vargas said sharply that the attack was carried out with mortars and rifles, and that it took place at 0930 (1530 GMT) yesterday. He did not report on property losses or casualties.

Vargas said Sergeant Rodriguez, from the Civil Guard's northern command, reported that several shots were fired from an old house in Nicaraguan territory and that they penetrated 800 meters into Costa Rican territory. The official explained that through public security sources he has been able to verify that the shots came from a Nicaraguan area known as Cuatro Caminos. The information minister affirmed that the evidence picked up at the site of the incident will be delivered to the Foreign Ministry today in order to file a protest with the Sandinist government.

The area where the latest incident took place had been quiet for more than a year with the focus of tension in the Los Chiles, San Carlos, and Sarapiqui areas.

MONGE SAYS COUNTRY TO RESPOND TO AGGRESSION

PA132004 San Jose Radio Impacto in Spanish 1837 GMT 13 Aug 85

[Text] The results of the visit to Venezuela by the government and security ministers have remained confidential. Questioned on this by journalists, President Luis Alberto Monge refused to comment. He said that Government Minister Enrique Obregon and Security Minister Benjamin Piza have presented a report on the results, but the presidency will not release it at this time.

President Monge reiterated to the Sandinist government that we are not willing to tolerate more aggressions against Costa Rican territory by the Nicaraguan Army. He indicated that if they occur again, the country will take the appropriate measures to defend itself. President Luis Alberto Monge stated this to Sandinist Commander Daniel Ortega in reply to the Managua regime's peace proposal. Peace begins in Nicaragua and not in Costa Rica, said the president. The border crisis is the result of an internal struggle in Nicaragua and at the same time the internal struggle in Nicaraguan territory endangers the peaceful life of Costa Ricans, Monge stated to Ortega. Our country maintains its coherent policy of nonintervention in internal Nicaraguan affairs. The letter tells the Sandinists that Nicaragua's international discrediting of Costa Rica is harmful to relations between the two countries. There is injustice and bad faith when the Sandinists distort the reality of the border conflict between the two countries. In concluding, the president indicated that since the beginning of the Monge administration, it has proposed that an international peace force inspect and watch over the northern border. In this way, the government expresses its satisfaction that the Managua government accepts such a proposal, but the Costa Rican people demand appologies and explanations from the Sandinists over the death of the two civil guardsmen in Las Crucitas and the constant violations of national territory.

The Sandinist regime is using a new tactic in its relations with our country, said Presidnet Luis Alberto Monge. The Sandinist regime is asking for the extradition of an alleged rebel guerrilla, and at the same time it violates national sovereignty, he commented. The president's remarks are due to the latest violation in the area of Conventillos. The president added:

[Begin recording -- in progress] ...the new attack of which we have been the victims. It shows the new strategy being used by Nicaragua. Even before we sent the protest they sent a request for the arrest of the individual who allegedly directed the kidnapping [of the U.S. pacifists on the San Juan River]. They say that they are going to request his extradition. We see this strategy in which they [words indistinct] Costa Rica even before we send a protest. I cannot hide the fact that Costa Rica feels there is a lack of understanding and a lack of solidarity by the institutions in the inter-American system. I cannot say what we should or can do in view of this lack of support, but I do want to insist that neither the OAS nor the Contadora Group is acting correctly to protect Costa Rica's legitimate rights. [end recording]

MONGE OFFICIALLY INVITED TO VISIT ISRAEL

PA131331 San Jose LA REPUBLICA in Spanish 3 Aug 85 p 2

[Text] Costa Rican President Luis Alberto Monge will travel to Israel between 5 and 10 October in response to an official invitation extended by that country's government. Monge was the Costa Rican ambassador to Israel 20 years ago. The invitation was accepted a few days ago when Monge was officially informed by David Tourgeman, Israeli ambassador to Costa Rica, of his country's interest in this official visit.

It is possible that when he returns from Israel President Monge will stop in New York to speak before the UN General Assembly on 14 October. President Monge is the only Costa Rican president in 37 years not to have visited the United States or spoken before the General Assembly, and since the Assembly meets every October, this will be his last opportunity.

The president will visit Israel accompanied by Foreign Minister Carlos Jose Gutierrez and Education Minister Eugenio Rodriguez.

GOVERNMENT PROTESTS FRENCH PUBLICATION OF BOOK

PA140031 San Jose Radio Impacto in Spanish 1830 GMT 12 Aug 85

[Text] The Costa Rican Government has protested to the French state media for the publicity given to the book entitled "Gold," which is considered slanderous and harmful to our country. The announcement was made by Communications Minister Armando Vargas, who said that such actions are of constant concern to the government and many sectors of the country. Commenting on how the publication of the book will affect the image of the nation, Minister Vargas said:

[Begin recording] In the first place, there is no way to take any legal action against a private publishing firm in France, which has published a work of fiction written by a private citizen that is being sold in private channels. Any action against it would violate the norms of freedom and expression and press in effect in France and also in Costa Rica. If a work of fiction should be written by a Costa Rican citizen and published by a local private publishing firm, it would be most improbable that the Costa Rican Government would be asked to intervene to prevent its circulation.

However, our diplomatic representatives have been closely following this case. A few days ago in Paris, the French radio and television commented favorably on the book. This prompted our ambassador in Paris, Ekhart Peters, to send a protest note to the French radio and television, which is a state organization, about the publicity afforded to this fictional story, which the Costa Ricans consider slanderous, offensive, and harmful to our country. [end recording]

Vargas added that this was not an isolated incident; that it is part of an organized campaign against Costa Rica, which includes the statements of Turkish terrorist Ali Agca. Furthermore, last week, the Mexican newspaper EL UNIVERSAL published an editorial highly offensive to Costa Rica, which together with the so-called pacifists mission on the San Juan River are all a part of the same campaign, the minister noted. The government is preparing actions against this campaign, but such actions will not play into the hands of those who seek to discredit our country, Minister Vargas concluded.

PPC LEADER MORA ON U.S. 'OCCUPATION' PLANS

PA131635 San Jose LA REPUBLICA in Spanish 3 Aug 85 p 7

[All quotation marks as published]

[Text] Manuel Mora, president of the Costa Rican People's Party [PPC], believes that "a U.S. military occupation of Costa Rica is about to take place." In a note addressed to President Luis Alberto Monge, Mora stated the following: "After reading your remarks in the press today, as a Costa Rican I am gravely concerned. I have the impression that Costa Rica is about to be militarily occupied by the United States. Until a few days ago, I had hoped that despite your decision to cooperate with the United States, you would continue to resist the U.S. plan to turn our homeland into a base for military operations.I had evidence of that resistance when you issued the neutrality law. I also had evidence of this when by chance I indirectly intervened in frustrating a coup d'etat that was on the verge of taking place with the expiration of the deadline set by the business organizations demanding that you remove Minister Angel Edmundo Solano and break relations with Nicaragua. I also learned about -- because they were no secret to anyone -- the arguments that you used with Ambassador Windsor and General Gorman when they were determined to speed up interventionist maneuvers in our country. However, the attacks against you worsened with the cooperation of the IMF. In the last few days, you have even been threatened with a scandal stemming from the use of the emergency funds that were under the control of Vice President Arauz.

My first doubts emerged when, overstepping the Constitution, you permitted the U.S. Army's installation of a powerful military command comprised of Green Berets in El Murcielago, located 2 km from the Nicaraguan border. This occurred precisely as President Reagan was threatening to occupy Nicaragua for the umpteenth time. That command has already finished training the first 400 members of the army [as published] and will begin training 400 more. Perhaps the others will arrive in Honduras. [sentence as published] The provocation in Las Crucitas took place almost at the same time as the occupation of El Murcielago by the Green Berets. The Las Crucitas provocation was used to create a gigantic, venomous radio and press campaign with the most infamous and false stories to deceive the Costa Rican people, facilitate a break in relations with Nicaragua, and continue preparations for the definite occupation of the Costa Rican northern region by the Yankee Army. In recent days and coinciding with the arrival in the country of the new U.S. ambassador, another campaign emerged. It is even more untrue and audacious than the previous one.

It is complemented by a new disbursement of $28 million approved by the U.S. Senate for the anti-Sandinists. Without even visiting you, as soon as he arrived the new U.S. ambassador went to El Murcielago to pay tribute to the U.S. Army command there. At this time, I have learned that the Council of Government, chaired by you, has practically begun what I believe is a process of declaring war on Nicaragua. The council accepted all of the infamies invented and staged by the CIA, and made the absurd statement that Nicaragua is a threat to Costa Rica's peace and sovereignty. The council's communique indicated that the measures it adopted will remain secret due to security reasons. However, you do not have to be very smart to guess what those measures will be: They are the ones that the Yankee army chooses to impose on us to carry out and consolidate the planned occupation of Costa Rica's northern area. The help of the United States and "other friendly countries" will surely be requested to save us from Nicaragua, flooding the country with military weapons and helping us train the army that it is already creating to be at its service and not at ours. The United States is using Nicaragua as a pretext to occupy Costa Rica because it considers the country a "defense zone of the Panama Canal." Mr President, it seems impossible that you are not convinced of the farce staged by the CIA and its collaborators on the northen border. However, all of Latin America is convinced about this as shown recently by the OAS. Do you think that Latin America confronts U.S. policy because it has been bribed by the Soviet Union and Cuba? Mr President, the coming battle will be hard, but this will clearly go down in history unless world war III breaks out, and there is nothing to record.

EL SALVADOR

FMLN GENERAL COMMAND ISSUES MESSAGE TO PEOPLE

PA140216 (Clandestine) Radio Venceremos in Spanish to El Salvador 0021 GMT 14 Aug 85

[FMLN General Command message to the Salvadoran people and the international community read by Commander Leonel Gonzalez, member of the FMLN General Command -- live or recorded]

[Text] Through me, the FMLN General Command sends a fraternal, combative, and solidarity greeting to all our people struggling to achieve a just peace that responds to the aspirations of the people. I also wish to send greetings to the combatants and leaders of the FMLN's revolutionary army who are fighting in the cities and country areas and setting an example of heroism, capacity, and high fighting morale that turns the enemy operations into permanent defeats. We also send greetings to our cadres and members for their loyalty in implementing the orders of their vanguard, the FMLN; for their sacrificing work in the political and ideological area that controls the firmness and conviction of our political and military forces in victory. Greetings also to the people's organizations; we tell them that their struggle to achieve their demands lives up to the aspirations, respect, and appreciation of the FMLN. They have the support of the workers of the world and our people. The pages you write through your struggle are exemplary. We greet world solidarity; we know that our just cause to achieve a truly popular, independent, and democratic solution, has the support of world solidarity; that the heroism and loyalty of the Salvadoran people is a live force that stimulates the liberation struggle of other peoples.

It is important to stress that during its meeting, our General Command agreed to appoint one of its members to address all the members, fighters, and leaders of the five organizations that form the FMLN and explain the work it has done. This is an irrefutable proof of the progress achieved in the unity of the FMLN. Given the importance of this meeting because of the times it was held in and the guidelines established, we call all the people, leaders of our organizations, combatants, chiefs, members, and cadres, to study and become aware of the message I bring to you:

The FMLN General Command informs our people that in June the ordinary meeting of this General Command was held in Morazan Department. The main reason for this meeting was to analyze and evaluate the current national situation. We were able to note the advance and development of our politico-military forces and draft the plans to confront not only the counterinsurgency plan of the Christian Democrats and the High Command, but also the aggressive escalation of Ronald Reagan's administration against the Salvadoran people.

We wish to stress the high fraternal spirit that [word indistinct] the trust and complete cohesion of the FMLN in its evaluation of the situation and the guidelines to be developed. Solid bases were established to further advance toward unity. The results of this meeting were highly positive. We are sure that these will lead us into a phase of victories and revolutionary advances. Continuing with the gradual development of our unitary process, the conclusions reached during this meeting, are superior to the conclusions reached during previous meetings. There is no doubt that today we are closer to the complete unification of our organizations, creating a sole organization and a sole revolutionary army.

The FMLN General Command's appraisal of the balance of forces at this moment is as follows:

The Salvadoran crisis is within the framework of the struggle of all the peoples of the world for peace and social progress and against the bellicose and warmongering policy of the current U.S. Administration headed by Ronald Reagan. It is part of the crisis experienced by Latin America that was unleashed by the worst social and economic crisis. One of the most serious manifestations of this is the great foreign debt that amounts to $360 billion and has forced Latin America to pay $40 billion per year in interest alone. This phenomenon is produced by the development of a dependent capitalist system and an imperialist domination that deprives our peoples of their resources and affects the vital economic interests of Latin America. In its attempt to prevent a fair solution that is in the interest of the Latin American peoples, the North American imperialism promotes a policy based mainly on military aggression with the use of its Marines, and on an economic aggression through the IMF, thereby subordinating diplomacy to these instruments. The U.S. constantly violates international law with its direct or indirect military aggression, blockades, economic blackmail, and disregard for the international organizations established to guide the relations among the states. These common problems of Latin America caused by U.S. exploitation promotes the confrontation of the masses with the imperialist domination, and further expands the crisis.

The Central American region is the most affected by this confrontation. The Reagan administration obstructs and militarily attacks the recently born Nicaraguan revolution and carries out a military intervention in El Salvador. This is done throughout the counterinsurgent political-military plan of the Christian Democrats, with Jose Napoleon Duarte heading the government, and the fascist high command at the front of the puppet Army.

The FMLN has successfully countered the Yankee plan in the political-military terrain, and we can assert that 1 year and several months after the Duartist government's installation, all results favor us and reveal a complete failure for the enemy. The great working masses in the countryside and the city that withstand the consequences of the regime's grave economic and political crisis have seen that the Duartist government cannot solve [their problems] or meet their just demands. Consequently, the masses are developing a higher level of organization and combat solidarity; in other words, they have been compelled to use strikes, paralizations, and mobilization to defend their rights and achieve their just demands. These actions have unmasked the false and hypocritical policy of Napoleon Duarte and his government and his alleged support from the people. The people have unmasked his antipopular, repressive, genocidal, and submissive character.

In the military field, their false propagandistic campaign to show that they have passed from military balance and unity to the offensive has collapsed. The High Command's false illusions have been unmasked. The reality of facts prove that the Army has been withstanding a permanent loss of human lives and its troop combat morale. The operations launched by the enemy on our zones have provoked a considerable loss of lives, favorable for the FMLN at the rate of 25 to 1. Our permanent mobilization has allowed us to inflict a systematic daily bloodshed on them through our guerrilla units' actions. We have spread the war throughout the country, particularly to the most important cities: San Salvador, Santa Ana, San Miguel. New areas of operations have been created in the country's eastern, central, and southern areas. The commandos' activities have accelerated in San Salvador, striking at the organization which adopts decisions and carries out the U.S. plans: the advisers, military commanders, and Christian Democrats.

The FMLN's sabotage of the government's war economy, the oligarchy's productive infrastructure, military communications, electricity, communications and transportation, and cotton, coffee, and sugarcane plantations has increased in intensity and efficiency. Hundreds of millions of dollars in losses have been inflicted on the Duartist dictatorship. In summary, this is the process which reflects the FMLN's advance in strategy, political-military tactics, and offensives, as well as the failure of the enemy's counterinsurgency plans and defenses. The FMLN's accumulation of forces and the weakening of the Duartist counterinsurgency project show the victorious role of the FMLN, vanguard of our people.

Within the framework of this favorable situation, the General Command has decided to adopt the following guidelines during its meeting:

1. Make progress in turning the FMLN into a single organization. Since 1979 and 1980, when a unity process was started, an arduous task has been carried out to achieve unity of political-military and strategic-tactical policies, to correct our errors and weaknesses, and to seek further development to attain even greater levels of unity. We have attained such a level of unity in our political beliefs that substantial differences concerning our strategy no longer exist. We can assert that we have a single political line. We also have a historical analysis of the process to build up and develop our military policies. We are aware of the laws that regulate our war process. Based on this, we want to assert that we have a unique military policy from the strategic and tactical viewpoint.

Within this context, we are about to take firm steps toward ideological unification, seeking to form our militants around a single strategic program for our struggle, and through the exchange of experience, we will try to establish a common set of principles in the political-ideological sector of our revolutionary history. All this is quickly leading us toward party unity, until we become a single organization. The Salvadoran revolutionary forces have made a firm decision to wage the revolution, and we exert joint efforts to unite the ways of achieving, maintaining, and developing the revolution. The constructive discussion of our various ideas allows us to advance and attain unity, progressively defeating the influence of the bourgeoisie ideology based on individualism.

We are constantly working against the ideological behavior that is contrary to the people's interests. The struggle for dignity is the struggle to build one set of principles concerning the revolution. It is also the struggle to eradicate deviations such as hegemonism, arrogance, and lack of fraternity in our ranks -- which deter us from achieving a united revolutionary policy among the forces, which represent the same interests and seek to attain the same goals.

The riches found in our political, military, and international principles; in the people's organizational capacity; in the strengthening of our men's ideology, added to the most important factor -- the lessons of unlimited heroism given by our people throughout these years and the efforts to fulfill the strategic need to win the U.S. imperialisms' war on its own continent -- have served to make us mature, united, and ready to adopt a single idea as a common goal.

The best decision and the best idea is the one that helps us advance more and brings us closer to victory, and all of us have adopted that decision. We have turned every mistake into a lesson to gain maturity and ability, based on a serious spirit of self-criticism. Currently, all the FMLN organizations, command posts, and party bases have fully assumed an appropriately constructive, mature, fraternal, and trusting attitude toward joint policies, unity of strategic plans, and frank discussions, and he rejected the cold and pragmatic actions. This has allowed us to assert without a doubt that there prevails a decision to become more united and advance toward victory, with the people's interests overriding each organization's interests.

The enemy's propaganda is trying to depict us as immersed in acute contraditions, internal struggles, hegemonist disputes, ambitions, etc. However, facts prove otherwise, and no one doubts that the FMLN has achieved greater unity in every field during the last 2 years. The entire history of mankind and values characteristic of the bourgeois society concerning personal ambitions, struggle for power, and other things the enemy mentions, do not correspond to our unity. Our proletarian and revolutionary values have become strengthened, and we have proved it. We will continue to do so, becoming more united until we become a single party and a single army. The only division that our enemy can expect from us is the division of work, responsibilities, and efforts to guarantee that our blows will become more overwhelming and our advance will become more solid and unstoppable. Our ideal of becoming a single revolutionary party is our goal, and we are heading toward that goal in an irreversible and sure way.

2. Regarding military aspects: to defeat the current Yankee plans. We have decided to continue wearing down all enemy operations and patrols, inflicting the highest possible number of casualties. Our goals are to inflict as many casualties on the enemy's forces as possible; to do our best to save and multiply our own forces; to increase the enemy's economic and political destabilization by mercilessly attacking its war economy and dismembering its local and national power until we totally prevent the implementation of its plans; and to expand and bring the war to the entire country, the capital city, and other major cities as well, by penetrating in the enemy's rear-guard, by developing new local forces. The war must reach everywhere. There must not be a safe place for the enemy troops or commands. We must cover all highways, all regions, all cities, all the villages, and all vital points until this country cannot be ruled by anyone but the people.

3. Regarding political matters: To organize and mobilize the entire people against the counterinsurgency PDC plan. Fulfilling the task to make each one of our fighters an organizer of the people, we must organize the masses everywhere, and through all means available, to fully implement our strategic plan of integrating the entire people into the war, fighting under all possible conditions. No area in the territory where our forces are stationed or are passing through is to be left without organizing and raising the consciousness of the people. We must keep the initiative in the political struggle against the people's enemies: Duarte and the PDC; the Army's top command; and the current U.S. Administration. The slogan ruling our actions is: Let us develop the people's war. To our organization scheme, we will add a policy of political and ideological education within our organizations in order to reinforce our militants so that these groups can fulfill our new political and military orders and unify our forces. We must strive to comply with the plan for unity and to correct misguided ideological actions.

4. Regarding international matters: to strive to reinforce solidarity and unity among the peoples of the world against Ronald Reagan's warmongering policies, in defense of the Nicaraguan revolution and the struggle to defeat the interventionist escalation in El Salvador.

To conclude, our command tells our men that we have reached a higher phase in the struggle, a phase of greater advances, seen in an overall deepening of the people's struggle in the political and military arenas. The enemy plan is to reduce the war [passage indistinct] as far as possible from vital areas. Our plan is to bring the war to the entire country and as deeply as possible into the major cities. The enemy plan is to do whatever it can to lower the people's support for our forces. Our plan is to integrate the entire people into the war. The enemy plan is to stop the people's struggle for its rights and to separate them from the revolutionary struggle. Our plan is to turn the revolutionary armed struggle as well as all the other people's struggles into a single force, capable of not only defeating puppet Duarte, but also of defeating the Yankee invaders who dared to invade us.

We call on our members, fighters, party cadres, and militants in general, to do their utmost to fulfill all the tasks outlined. We call on the international community, on the solidarity, and on the progressive forces to reinforce the international common front to defend the Nicaraguan revolution, to curb aggressive escalation against El Salvador, and to defeat the interventionist and military policies of the current U.S. Administration, which pose a threat to worldwide peace and social progress.

The FMLN, our people's vanguard, is prepared to show the world once again that no power in the world can subdue a people committed to gaining its liberty. Workers, peasants, the meek, and the exploited, have the last word in this war of liberation, which is costing our people so much hunger and so many sacrifices. The FMLN, their vanguard, is and will always be with them.

Long live the workers struggle! Long live revolutionary unity! Long live revolutionary war! Long live the revolutionary and people's army! Death to the PDC dictatorship! Death to Yankee imperialism! Revolution or death, we will win! United to fight until final victory!

RN COMMUNIQUE REPUDIATES DEATH OF FMLN LEADER

PA140326 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT 12 Aug 85

[Communique issued by National Resistance Party, RN, and signed by Commander Ferman Cienfuegos, commander in chief of Armed Forces of National Resistance, FARN, secretary general of the RN Central Committee, and member of the FMLN General Command; in El Salvador on 11 August -- read by announcer]

[Text] The National Resistance Party, RN, and its Armed Forces of National Resistance, FARN, member of the FMLN, expresses before the Salvadoran people its sorrow at having to include Companero Dr Doroteo Gomez Arias among its national heroes. Dr Doroteo Gomez Arias was an exemplary revolutionary leader and distinguished member of our party's Central Committee. Loyal to the cause of justice, he made a tireless commitment to the struggle for the liberation of the homeland. This courageous comrade sums up the heroic history of our beloved nation. His solid proletarian thought contributed to the strategic thought of the RN and the FMLN and even became an insurmountable wall for the torturers of the Duarte regime who, powerless in face of Doroteo's unbreakable faithfulness, murdered him at the National Police Prison.

The old fascism reproduced by the Christian Democratic military dictatorship together with the terrorist policy of the Reagan administration once again show that nothing has changed in El Salvador.

The barbaric act committed against a distinguished lawyer who was a member of the FMLN, offends the civilized minds of our people and of the international community. This strategy of terror also constitutes an open violation of the Geneva Convention on war that this government is strictly obliged to respect.

Therefore, we categorically reject the cowardly story given by the National Police which said that our Companero Doroteo Gomez Arias took his own life by hanging himself with his T-shirt in a cell at the National Police Prison. We hereby hold Reinaldo Lopez Nuila, deputy security minister and known intellectual leader of the death squads, responsible for this crime. We also hold Jose Napoleon Duarte responsible; it is under his responsibility that the macabre structures of the High Command and the security corps act. Lopez Nuila had better know that sooner rather than later, the people's justice will severely punish his criminal conduct.

Once again the National Resistance Party, RN, member of the FMLN, inspired by the heroic teachings of Comrade Doroteo Gomez Arias, and in the face of this brutal act committed by the dictatorship, reiterates its firm determination to defeat the Washington government's military policy against El Salvador and states that, despite all the strategic efforts concentrated by the imperialism, there will be no insurgent escalation capable of changing our determination to build an independent, peaceful, and democratic homeland.

For the revolution, until death! Revolution or death, we will win! United to fight until the final victory!

El Salvador, 11 August 1985

[Signed] Commander Ferman Cienfuegos, secretary general of the Central Committee of the RN; commander in chief of the FARN

GUATEMALA

8 OFFICIAL PRESIDENTIAL CANDIDATES PROCLAIMED

PA131618 Guatemala City Radio-Television Guatemala in Spanish 0300 GMT 12 Aug 85

[Excerpt] The last two presidential candidacy nominations for the upcoming 3 November elections were proclaimed over the weekend at the national conventions of the National Renovating Party [PNR] and Democratic Socialist Party [PSD]. Party conventions in Guatemala City on Saturday and Sunday confirmed the nominations of Alejandro Maldonado Aguirre as the PNR candidate, and Mario Solorzano Martinez for the PSD.

In the understanding that no further presidential nominations are pending 3 days before the deadline for the registration of presidential candidates, it is reported that 4 parties will launch their own candidates while the other 10 have formed coalitions to support 4 other nominations.

The candidates supported by a single party are: Mario David Garcia of the Nationalist Authentic Central, Mario Solorzano Martinez of the PSD, Jorge Carpio Nicolle of the Union of the National Center, and Alejandro Maldonado Aguirre of the PNR. The other four presidential hopefuls were nominated by coalitions. Mario Sandoval Alarcon's candidacy is backed by the National Liberation Movement [MLN], IM [expansion unknown] and the Popular Democratic Front [FDP]. Leonel Sisniega Otero's candidacy is backed by the National Unity Front [FUN], Emerging Movement for Harmony [MEC], Anticommunist Unification Party [PUA].

The candidacy of Jorge Serrano Elias is supported by the Democratic Party of National Cooperation [PDCN] and the Revolutionary Party [PR]. Vinicio Cerezo Arevalo has received the support of the Christian Democratic Party [DPC] and the (?FDC-5), although this party has not held its party convention to formally nominate him.

NICARAGUA

FOREIGN MINISTRY NOTE TO COSTA RICA ON AGGRESSION

PA131607 Managua Domestic Service in Spanish 1541 GMT 13 Aug 85

[Note from the Foreign Ministry to Costa Rican Foreign Minister Carlos Jose Gutierrez dated 13 August in Managua -- read by Foreign Ministry Press and Information Director Angela Saballos]

[Text] Mr Minister: I have the honor of addressing Your Excellency to report the following events: At 1800 on 12 August, armed elements in Costa Rican territory near the San Juan delta attacked a Sandinist People's Army patrol with rifle fire. At 1900 on that same date, a Nicaraguan Army patrol was attacked approximately in the area of Colon in the border region. The fact that there were no casualties as a result of these aggressions does not reduce their seriousness. Therefore, my government reiterates to the illustrious Costa Rican Government the need to hold a dialogue under the Contadora's Group's sponsorship to permit the establishment of a security zone on our common border.

Mr Minister, receive assurances of my highest esteem.

[Signed] Victor Hugo, acting foreign minister

REGIONAL MILITARY DELEGATION CONCLUDES VISIT

PA131404 Managua Radio Sandino in Spanish 1200 GMT 12 Aug 85

[Text] The delegates of the Movement of Democratic Militarymen of Latin America and the Caribbean, Midelac, concluded a visit to Nicaragua with a call on President Daniel Ortega. They left the country yesterday after completing a busy 5-day working visit aimed at gaining firsthand knowledge of the Nicaraguan situation.

During their meeting with President Ortega, the leaders discussed Nicaragua's current situation while the president briefed them on the latest international contacts with a view toward consolidating peace in the region.

The Midelac delegates visit included a tour of Nicaragua's 3d Military Zone where they exchanged views with fighters of the Sandinist People's Army. Before their departure the militarymen expressed their serious, firm commitment to cooperate with the Nicaraguan people, and their admiration for President Ortega, whom they described as a true leader and a man with the vision needed to lead people.

After touring several military areas Chilean Colonel Efrain Canas Giron, an exile, remarked that the efforts exerted by the Sandinist troops and Nicaraguan people to fight against the mercenary troops are admirable. People truly identify with their cause; I wish it were like that in my country, he said, stressing his admiration for the organization, discipline, and heroic spirit of the Sandinist soldiers.

PANAMA'S GENERAL NORIEGA TO ARRIVE ON VISIT

PA140051 Managua Radio Sandino in Spanish 0000 GMT 14 Aug 85

[Text] We have a last minute report: The reports that General Manuel Antonio Noriega, commander of the Defense Forces of Panama, will arrive in Managua tomorrow morning have been confirmed in this capital. Commander of the Revolution Humberto Ortega Saavedra, defense minister and commander in chief of the Sandinist People's Army, will welcome General Manuel Antonio Noriega at the Augusto Cesar Sandino International Airport. The top-level Panamanian military leader's visit is aimed at meeting with Nicaraguan authorities to analyze the grave consequences of the Central American situation.

JAPANESE PRESS ASKED TO BE MORE OBJECTIVE

PA132337 Managua Radio Sandino in Spanish 1750 GMT 13 Aug 85

[Text] Nicaragua has exhorted the Japanese press to be more objective in its treatment of the situation in Central America, rather than to contribute to the slanderous campaigns in the United States against this country. We want the truth to be known in order to show who is actually practicing a hostile and aggressive policy against Nicaragua and thus closing the doors to a political solution in Central America, said Olga Aviles, president of the Nicaraguan Peace Committee, Conipaz.

During a 2-hour news conference in Tokyo, the president of Conipaz explained and answered questions about the most serious problems in Central America. She also denounced the permanent provocations of the Reagan administration along the 320 km border between Nicaragua and Costa Rica, and the presence of five U.S. warships off the Atlantic coast.

In conclusion, she enumerated the latest actions of the counterrevolutionary bands, which are financed by the U.S. Government and supported by some governments in the region.

NEW MAGAZINE CITES ECLA REPORT ON ECONOMY

PA131355 Managua Radio Noticias in Spanish 1200 GMT 12 Aug 85

[Text] The magazine PENSAMIENTO PROPIO of the Institute of Economic and Social Research has published a very disastrous ECLA report on the reality of the Nicaraguan economy. It points to the urgent need to subordinate the tidying up of the economy to survival needs. The report points out that 1984 was a bad year for the Nicaraguan economy. Of course, among the factors that brought about the economic problem are the armed confrontations and the adverse influence of negative factors from the international economy, factors that dramatically affect regional economies.

In the report in this edition of PENSAMIENTO PROPIO, which is not officially circulating yet, ECLA states that inflation increased between 36 and 50 percent, and by even more than 50 percent during the latter months of 1984, and adds that this situation was brought about by a decrease in supply.

As for the exchange policy, a very strict multiply exchange system that overvalued the cordoba was maintained. This discouraged exportable exports and contributed to an increase in the financial deficit in the public sector.

Another factor that contributed to weakening our economy was subsidies.

ECLA points out that subsidies did not encourage production but brought about speculation that caused or worsened supply problems. In 1984, Nicaragua was also burdened by its foreign debt. The renegotiation of that debt made the acquisition of new funds to face economic problems difficult.

The report also states that there are direct and indirect effects of the aggression. It is very difficult to analyze the results of a war because in addition to direct effects, one must also consider multiple side effects that are often more important than the direct effects. ECLA points out that one must not only consider quantifiable effects, but also indirect effects such as the diversion of resources from normal activities to defense tasks. Forty percent of our budget was targeted for defense tasks. This was (?a great burden) on our economy. Here are some specific figures: In the agrarian sector, damages to fixed assets totalled $10 million, while damages to production totaled $91 million. These damages included those to coffee-processing plants, grain silos, tobacco [word indistinct] houses, workers quarters, and so on. The greatest impact was felt in production: 12,000 hectares of coffee, 5,000 hectares of tobacco, and 25,000 manzanas dedicated to basic grains were abandoned. This amounted to a decrease in coffee production in 1984 of 552,000 quintals of golden coffee; that is, $69 million. Losses to other products where as follows: $3 million in tobacco, $11 millionin basic grains, and $7 million in cattle-raising. All of this amounts to a large dollar sum that has contributed to turning our economy into [word indistinct] The ECLA report also states that Nicaragua is practically experiencing a survival economy. For example, in northern Zelaya 44,000 hectares of pines were set afire causing a forestry loss of $22 million.

Finally, the magazine article points out that fishing was also greatly affected. It experienced an $11 million loss in assets as a result of burned or stolen ships; the production loss totaled $34 million -- that is the loss of the products transported by those ships.

LA PRENSA EDITORIAL VIEWS D'ESCOTO FAST

PA132216 Managua LA PRENSA in Spanish 10 Aug 85 p 2

[Editorial: "The Purpose of Miguel D'Escoto's "Fast"]

[Text] In this study we will analyze the private motivations that Miguel D'Escoto might have had for fasting, as well as the apparent motives of those who accompanied him and made propaganda for him during these 20-plus days.

I. Alternative to Obando

When we examine this matter, we cannot fail to think about the parallel mass held by the people's church in Miami when Cardinal Obando y Bravo clelbrated the Eucharist there on 14 June, a mass to which EL NUEVO DIARIO assigned one-half of its front page. The people's church is concerned about the increased popularity of Cardinal Obando since his investiture in Rome, and to counteract it, it staged a show that is a mixture of a fast, a hunger strike and a fakir's feat. With this, it expected to capture the public's imagination and turn it away from the close attention that has been given to the cardinal.

II. A Diet

We know that Miguel D'Escoto has always had a tendency to be obese and that he has always been on diets to lose weight on the recommendation of his physicians.

In the eyes of the people who saw the figure of the Maryknoll priest in the press and on television, the diet was not very successful because the following joke was being passed around. Why is D'Escoto called the Iron Minister? Answer: Because in more than 20 days of fasting, he has not lost a single pound.

III. Religious Motives

Another possible motivation that the minister might have had is the need to repair his clergyman image, which was damaged by the suspension imposed upon him and his three friends (Fernando and Ernesto Cardenal, and Edgar Parrales). The Vatican had also urged the suspension of D'Escoto by the Maryknoll Order, to which he still belongs. According to this interpretation, Miguel is trying to abandon the position of foreign relations minister by using a stepping-stone that would allow him an honorable withdrawal from his position and a return to the priesthood. The fast would cause a weakening that would prevent him from continuing with the difficult tasks of his position, and that would purify him in the eyes of the faithful, who would again accept him as an active priest of the Maryknoll Order.

This possible intention was defeated in the 27 days of propaganda and agitation because the fast was presented more like an extraordinary feat performed by a fakir than like a Christian fast. However, we don't know if this deviation was made with D'Escoto's express approval, or if it was orchestrated by the FSLN and the people's church to keep him a prisoner of the ideology that he serves.

In any case, the Nicaraguan Episcopal Conference, as well as the religious authorities of Guatemala, El Salvador, Peru, and other Latin American countries, made pronouncements defining D'Escoto's fast as being political rather than Christian in nature, because it did not conform to the rules for fasting set by Jesus in the gospel.

We believe that a religious motivation for the fast should be ruled out, because it was not done as a relationship between God and man, as a way to please God and to seek his forgiveness for personal sins and the sins of others; instead it was staged as a man-to-man relationship to obtain solidarity for a political cause.

IV. Quest for the Limelight

Another very peculiar D'Escoto characteristic that defines his personality, acquired through the genes or through learning is his desire for the limelight, to be the center of attention. He fully accomplished this.

As we said before, all of the regime's media have paid close attention to his fast. President Daniel Ortega, in his 19 July speech, read to 200,000 persons a letter from D'Escoto, that generated a great show of enthusiasm and was the most interesting and original part of the speech. In schools, teachers have been demanding that elementary school children from the first to the sixth grade write letters to Father D'Escoto praising his feat and asking God to save his life. On the 26th day of his fast, a doctor who came from the United States and was introduced as the personal doctor of Pope John Paul II, recommended that Miguel stop the fast. D'Escoto's fast was highlighted every day on television and radio and in the press as the main news item, so that his vanity and quest for the limelight could be catered to over and over again.

After an examination of the preceding motivations, we can conclude that the primary reason for the fast was to present a spectacular religious event to counter the popularity of Cardinal Obando. D'Escoto agreed to participate in the show because he has the personality and physical constitution to do it. He also sought to take advantage of the fast as a medical prescription to win points in the eyes of the Christians who believed in his sincerity and to enjoy being the center of attention throughout Nicaragua.

We believe that deep in his heart there must also have been a very secret, very deep satisfaction that produced intense pleasure over annoying Cardinal Miguel Obando y Bravo, who he has said is the main promoter of the counterrevolution and who, moreover, "believes that his international popularity comes from his own personality and has not noticed that it is the result of an FSLN public relations campaign to help the triumph of the revolution." This last quote indicates to us that it is within D'Escoto's mentality to organize international public relations campaigns to achieve political ends, which gives weight to the analysis presented in this item.

COMMANDER 'DANIEL' CLAIMS PEACE GROUP KIDNAPPING

PA131917 Panama City ACAN in Spanish 1817 GMT 13 Aug 85

[By Juan Ramon Rojas]

[Text] San Jose, 13 Aug (ACAN-EFE) -- It was reported today that an anti-Sandinist group founded two months ago claimed responsibility for the abduction of 29 U.S. pacifists last week while the group was navigating along the San Juan River on the Costa Rican-Nicaraguan border. The daily LA PRENSA LIBRE, edited in San Jose, published an interview today with Commander "Daniel," who was responsible for the action. He claims that he belongs to a new anti-Sandinist group, bur did not provide its name. However, he did reveal the details of the action.

The U.S. citizens, members of the ecumenical organization "Permanent Christian Action for Peace," accompanied by 18 reporters who were reporting on the tour, were traveling along the San Juan River, a scenario of border tensions between Costa Rica and Nicaragua, to pray for peace. However, 15 armed men, whom the Sandinist Government asserted belong to the Democratic Revolutionary Alliance (ARDE) led by Eden Pastora, abducted the members of the mission on Wednesday morning, shortly after they left the Costa Rican Civil Guard post in Boca de San Carlos where they spent the night.

Commander "Daniel" told the Costa Rican daily: "We (he did not specify who) had orders to destroy the Sandinist People's Army (EPS) launches and to detain those that were not military. That is precisely what we did." The guerrilla leader stressed that at no time did they try to harm the pacifists. On the contrary, "we only wanted to exchange viewpoints. Proof of this is that they were very calm during the time they were in our custody," he said.

"Daniel" recounted to PRENSA LIBRE that in order to carry out the seizure, they fired warning shots to "draw attention," and that for this reason the North Americans and the reporters accompanying them became nervous: "We told them that we are a group that struggles solely against communism and that we only wanted to talk with them." The anti-Sandinist leader did not provide further details on the type of organization or the identity of other leaders. He admitted that they subsequently took the people they captured to Costa Rican territory "as a means of protection" because "we are constantly fighting the EPS, and we were afraid that while we were talking with the religious activitists we might be attacked."

"It was an action that was eminently for protection," he insisted, and adding "if they (the pacifists) are sincere, they must tell the truth about what took place." "Daniel" stressed that they later prayed and that at 1230 (1830 GMT) on Thursday "we released them so they could return." The guerrilla leader said that they were treated cordially so the North Americans were permitted to use their communications equipment "to inform their comrades that they were well and out of danger."

"Daniel" stated that they are willing to continue actions against "the communist Managua regime until victory or death" and that their goal is to control the San Juan River where Eden Pastora's military bases were located before they were seized by conventional forces of the Sandinist government.

DEFENSE MINISTRY REPORTS ON CONTRA CASUALTIES

PA130345 Managua Radio Sandino in Spanish 0000 GMT 13 Aug 85

[Communique issued by the Directorate of Public and Foreign Affairs of the Nicaraguan Defense Ministry in Managua on 12 August]

[Text] A total of 33 counterrevolutionary casualties -- 27 killed -- including a mercenary chief, and 6 captured by the Sandinist People's Army [EPS], are the results of clashes on 9, 10, and 11 August, broken down as follows:

On 9 August EPS troops clashed with counterrevolutionary groups in the place known as Robledalito, 16 km southeast of San Juan del Rio Coco, Madriz Department, where our troops killed nine mercenaries. On 10 August the EPS captured two counterrevolutionaries in El Careto hill, 13 km east of Quilali. On the same day, our forces clashed with Somozist mercenaries in El Zapotal, 20 km northeast of Jinotega, killing three contras. On 10 August the EPS clashed with contra groups in the (Terciopelo) sector 30 km south of Siuna, northern Zelaya, killing one contra. One AK rifle was seized. On the same day, EPS troops clashed with ARDE contras in (El Dedillo), 11 km southwest of Nueva Guinea, southern Zelaya, killing six contras, among them the chief of the group called Urraca. We also seized two M-14 rifles.

On 11 August the EPS clashed with mercenaries in Paso Hondo, 9 km southwest of San Jose de Achuapa, Chinandega Department, where the Somozists mercenaries kidnapped seven peasants from the community. On the same day Somozist mercenaries ambushed an IFA vehicle in (La Pasadita), 28 km southeast of Acoyapa, Chontales Department, capturing four mercenaries.

Managua, 12 August 1985, Defense Ministry, Directorate of Public and Foreign Affairs

OPPOSITION GROUPS FORM BLOC TO COUNTER FSLN

PA111945 San Jose LA NACION in Spanish 2 Aug 85 p 5A

[Resolution issued by the Southern Opposition Bloc, BOS, on 26 July, published as a paid advertisement -- capitalized words printed in uppercase in original]

[Text] The organizations signing below state that

WHEREAS

1. We are on the threshold of a historical moment, when the majority of the Nicaraguan people have decided that our homeland should not continue in the hands of the Managua Marxist-Leninist dictatorship or return to the past, and that we are going to make our aspirations of establishing a regime of democracy and freedom come true.

2. The FSLN has betrayed the blood shed by thousands of Nicaraguans who fought to overthrow the Somoza dictatorship by turning the possibility of a democratic revolution into a totalitarian regime submissive to the Cuban-Soviet imperialism.

3. Only unity among our antitotalitarian political forces can expedite the replacement of the new dictatorship by true democracy.

4. The struggle against the common enemy must be waged within the framework of serious and specific commitments BETWEEN ALL the democratic forces in the country, around a national project based on democracy and social justice.

5. The establishment in Nicaragua of a sociopolitical system based on respect for human rights, public liberties, and social justice is a necessary condition for permanent peace and for the defense of our national sovereignty.

6. It is urgent to promote an effective solidarity with the just, libertarian, and democratic cause of the long-suffering and courageous Nicaraguan people among democratic countries.

THEREFORE RESOLVE:

1. To create the SOUTHERN OPPOSITION BLOC, BOS

2. To join efforts in order to achieve social peace and national concord, to end the sequel of fraticidal struggles that have bled our people to death.

3. To promote truly Nicaraguan solutions for our conflict, as the only way to achieve a permanent peace that will guarantee internal stability and the institutionalization of real democracy.

4. To establish mechanisms and to redouble efforts to create A SINGLE FRONT OF STRUGGLE against totalitarianism with the other opposition groups, based on a true balance of all the active forces in the country.

5. To legitimize the defensive struggle being waged by thousands of armed patriots on national soil against Managua's dictatorial repression.

6. To begin a broad campaign to win the solidarity of the democratic countries in the world for the Nicaraguan people's libertarian cause, by denouncing the abuses of the totalitarian regime before all reigonal and international forums and supporting the efforts of the Nicaraguan democratic organizations.

Central America, 26 July

UNION COMMITTEE OF NICARAGUAN WORKERS AND PEASANTS IN EXILE (CSOCANE)
Bayardo Lopez Pineda, Julio Morales Prado, Miguel Escudero Salgado, Carlos Pilarte Chamorro

NATIONAL RESCUE AND CONCILIATION MOVEMENT (MRCN)
Alfredo Cesar A., Carlos Hurtado C., Octaviano Cesar A., Pier Penalba C.

DEMOCRATIC REVOLUTIONARY ALLIANCE (ARDE) Jose Davila M., Donald Castill O., Adolfo Charmorro C., Miguel Urroz B.
VOLUNTARY SUPPORT OF NICARAGUA [ADHERSION VOLUTARIA A NICARAGUA] (AVANIC)

UNITY OF NICARAGUAN PROFESSIONALS IN EXILE [UNIDAD DE PROFESIONALES NICARAGUANS EN EL EXILIO] (UPRONEX)

ASSOCIATION OF NICARAGUAN PROFESSIONALS IN EXILE [ASOCIACION DE PROFESIONALES NICARAGUENSES EN EL EXILIO] (APRONICE)

Alvaro Jerez H., Buenaventura Jarquin C., Mario Bonilla Cuadra

NICARAGUA CANNOT REMAIN UNDER THE CLAWS OF THE COMMUNIST TYRANNY!

Responsible signature: Miguel de Jesus Caracas Siero, Passport No 132063

BOS SEEKS U.S.-USSR DIALOGUE ON AREA SITUATION

PA131434 Panama City ACAN in Spanish 1953 GMT 12 Aug 85

[By Agustin de Garcia]

[Text] Panama, 12 Aug (ACAN-EFE) -- A group of Nicaraguan opposition leaders today posed for the first time the need for the United States and the USSR to begin talks on Nicaragua in a "simultaneous triple dialogue." The proposal also includes direct negotiations between Nicaragua and its neighboring nations, Honduras and Costa Rica, under the auspices of the Contadora Group, and between the Managua government and its political and armed opponents.

The initiative was revealed today in this capital by the Southern Opposition Bloc [BOS], the Democratic Revolutionary Alliance (ARDE), led by Eden Pastora, and other political opposition forces. The opposition leaders group included Jose Davila, ARDE's top political official; Adolfo "Popo" Chamorro, formerly Eden Pastora's lieutenant; and Alfredo Cesar, coordinator of the national reconstruction movement.

The Nicaraguan group arrived in this capital at the start of a tour of Panama, Colombia, and Venezuela, to present its proposal for a "simultaneous triple dialogue" to the Contadora Group.

Alfredo Cesar said BOS poses the need for the United States and the USSR to discuss the Nicaraguan situation for "both to get out of Nicaragua and Central America." The opposition's proposal affirms that the Managua government has provoked the aggravation of the East-West confrontation by its growing alignment with the Soviet bloc, turning the Nicaraguan conflict into a problem located within the framework of the superpowers.

This proposal, considered by its supporters as "just and balanced," is one of the many initiatives for Managua to dialogue with the opposition, all of which have been turned down by the Sandinists. However, this is the first time that it involves the two superpowers as parties in the search for solutions to the confiict.

The opposition bloc believes it is also necessary for Nicaragua to maintain dialogue with its neighbors "in order to find formulas to ease the tensions" provoked, according to them, by the variation in the "correlation of forces in the area." The group also states that simultaneously with the two forums mentioned, the Sandinists begin talks with all political and armed groups opposed to the government in Managua to seek "social peace, permanent stability, and national reconciliation."

The proposal was made public amid a strong Sandinist offensive against the ARDE forces, and several weeks after Commander Eden Pastora emphatically declared that he would never dialogue "with the communists in Managua."

"Popo" Chamorro affirmed that ARDE is presently under strong pressure from the fiercest Sandinist military offensive in the 5 years of strife which has caused the rebels to lose 60 kilometers of the controlled territory in the San Juan River border sector.

Robelo Rejects Proposal

PA132104 Paris AFP in Spanish 2002 GMT 13 Aug 85

[Text] San Jose, 13 Aug (AFP) -- Anti-Sandinist leader Alfonso Robelo described the proposal by the Southern Opposition Bloc (BOS) as "antinational." BOS proposed that a "triple dialogue" be held with the participation of the Soviet Union and the United States to deal with the internal problems in Nicaragua.

Robelo criticized such a dialogue between the Sandinist government and the political and armed opposition in which Honduras and Costa Rica would also participate under the sponsorship of the Contadora Group. Robelo said that "we Nicaraguans are the ones who have the patriotic obligation to find a solution to the Nicaraguan situation."

"We Nicaraguans must build our own destiny and we will never agree with proposals that in some way play into the hands of the Sandinist dictatorship," he added.

Robelo, one of the leaders of the Nicaraguan Opposition Unity (UNO), said that "we seek a strategic victory over Marxism-Leninism that will bring peace to Nicaragua through democracy."

The proposal by BOS, led by the Democratic Revolutionary Alliance (ARDE) of Eden Pastora and the Recovery Movement of Alfredo Cesar, was made on 12 August in Panama as part of a tour that members of that bloc are making to Venezuela, Colombia, and Panama, Contadora member countries.

ROBELO ADDRESSES UNO MEETING ON STRUGGLE

PA102346 Panama City LA ESTRELLA DE PANAMA in Spanish 7 Aug 85 p C 1

[Text] Only "the treason of those who advocate surrendering policies, frustrated the hopes of Nicaraguans, and today mete out misery, repression, and death among our fellow countrymen" remains in Nicaragua. This was expressed by Alfonso Robelo during the recent Nicaraguan Opposition Unity, UNO, meeting. Robelo said: "It is a paradox that the FSLN -- which pledged to follow Sandino's nationalist stance -- has made our homeland more dependent on foreigners than it has been since 1821."

In his speech, Robelo added: "The task we have ahead is gigantic. We face enemies who have a huge military apparatus, an effective police regime, and the decided support of Soviet imperialism and its allies...." He added: "Today, Nicaragua is a center of subversion and a sanctuary for terrorism. But... although they have all this, they don't have either the people or God."

During the UNO assembly, Robelo said: "Six years ago, on arriving at the Plaza de la Republica, I saw a sea of faces that reflected all sectors of a people who had seen their hopes for freedom, justice, and peace crystallized. They faithfully reflected the national unity that was a fundamental factor in the struggle against the former dictatorship. Now, all that remains of that day of joy is the treason of those who advocate surrendering policies, who frustrated the hopes of Nicaraguans and who today mete out misery, repression, and death to our fellow countrymen."

"It is a paradox that the FSLN -- which pledged to follow Sandino's nationalist stance -- has made our homeland more dependent on foreigners than it has been since 1821." [repetitive passage as published]

"In 1979, national unity was the basis for the victory over the dictatorship. Today, in 1985, history is repeating itself. National unity is the cornerstone of our true liberation. This unity has crystallized in the UNO."

"Our effort entails the commitment to consolidate the unity of the Nicaraguan democrats and open the door for all who share our objectives to join us."

"The task we have ahead is gigantic. We confront enemies who have a huge military apparatus, an effective police regime, and the decided support of the Soviet imperialism and its allies. Today, Nicaragua is a center of subversion and a sanctuary for terrorism. But... although they have all this, they don't have either the people or God." [repetitive passage as published]

"My optimism rests on this. We are massively supported by the Nicaraguan people. We are firmly willing to walk as one. The rebel combatants' heroism and morale is admirable. We have democratic allies who understand and support our struggle. Truth and justice are on our side. God is on our side."

"The struggle for liberation should not be ours alone. The entire Central American region is threatened by the Sandinist military dictatorship and its communist expansion. Central America is six interrelated entities that have already felt the effect of the Sandinist totalitarian cancer."

"The exemplary Costa Rican democracy has suffered, not only manifold terrorist actions and violations of its sovereignty, but also the wicked murder of lowly policemen. The brother Costa Rican people support us unhesitatingly. If, however, the communist tyranny consolidates in Nicaragua, sooner or later -- sooner rather than later -- Central America will be ravaged by terrorism, subversion, and chaos. Today, our struggle aims at liberating Nicaragua but, as the result of this struggle, other peoples in the area will not have to struggle for their own freedom in the future. Central America's peace, democracy, and stability are inexorably linked to the triumph of our cause. There will not be peace in Central America without democracy in Nicaragua."

"The UNO directorate is formed by us civilians who understand the disgrace of a civil war between children of the same land. We have accepted the armed struggle only because the FSLN's despotic regime refused many times to find a peaceful solution with dignity and guarantees. Let it be very clear: We will not surrender if the only way out that the Marxist-Leninists propose to us is our submission to their totalitarian and surrender-oriented plan. We did not bow our heads to the former dictatorship and we will not kneel before the current tyranny."

"The time has come to challenge the international organizations to suggest a path that will lead to peace and democracy in Nicaragua. This inescapable responsibility falls especially on the Contadora Group, that with its ineffective complicity has only helped to give the Sandinist Front time to consolidate the enslavement of our brothers. Of the member countries of this group, the sad role played by the Mexican Government deserves special mention because, with its hypocritical foreign policy, it attempts to buy time to continue with the corruption, injustices, and misgovernment endured by the brother peoples of Mexico."

"On 12 June, UNO released its San Salvador declaration in which it defines, before its people and the world, its own historical commitment. In it, our goals and agreements were irreversibly set forth. Arturo J. Cruz, firm patriot, Adolfo Calero, restless democrat; and I have accepted the responsibility of leading the efforts of our fellow countrymen in all fronts. These are the three bases of our integration into a sound unity: To reconcile the Nicaraguan family; lay the groundwork for a genuine democracy; and establish the framework for the nation's moral and material reconstruction."

"We conceive national reconciliation as one based on a policy of pardon in order to put an end to hatred and revenge that have resulted from our domestic struggles. We conceive national reconciliation as an amnesty for political crimes, which will include all Nicaraguans without exception. It is UNO's essential objective to lay the groundwork for genuine democracy through a transition government governed by laws that ensure respect for the rights and liberties of all Nicaraguans. Because we are democrats who believe in UNO, we say that political pluralism should not have any ideological limitations and should only be subjected to the participation of a political party in the elections, to its acceptance of the people's will as its only source of power. Lastly, UNO proposes the basis for national reconstruction on a new social pact. This social pact should permit a continuation of the integration we have already achieved in our struggle against all those who have encouraged hatred and the struggle of classes."

"The peasants and workers constitute the bulk of the patriots who have given their lives in defending our values. I wish to render homage to those heroes, to those who are in prison, to those who are fighting in our fatherland, to all of them on behalf of whom we are committed to struggle to guarantee that a social peace in harmony with political freedom and economic development will prevail tomorrow in Nicaragua. We already said this in the document we issued on 1 March and we repeat it now: "We hope to rebuild Nicaragua by promoting its overall development within a model that will give priority to the dispossessed ones. We are facing a challenge on which the future of democracy in Central America depends. We can take our struggle to a happy ending only if we are strongly united. All of you democrats have a home here. Let us leave the party and sectarian battles for the democratic Nicaragua of the future. Our struggle today is through UNO."

CONTRA LEADERS HOLD 'SECRET' MEETING IN HONDURAS

PA100117 Panama City ACAN in Spanish 2250 GMT 9 Aug 85

[Text] Tegucigalpa, 9 Aug (ACAN-EFE) -- A 48-hour working session of the political-military anti-Sandinist upper echelon ended today in complete silence. Alfonso Calero Portocarrero, political-military leader of the Nicaraguan Democratic Force [FDN] and anti-Sandinist political leaders Alfonso Robelo and Arturo Cruz attended the meeting. None of the three was willing to make statements for the press, arguing that their meeting was "very secret" and that they did not want to put Honduran authorities into a difficult situation. Nevertheless, an FDN spokesman confirmed to ACAN-EFE that the meeting was based primarily on Robelo's and Cruz' desire to learn about the anti-Sandinist organization's "operating procedure, successes attained, and future plans." The FDN has asserted that it has 17,000 combatants in Nicaragua, while another 5,000 have completed their basic training in guerrilla warfare and are waiting for weapons and supplies to go into action. During the last 2 weeks, the FDN has launched a strong offensive in Esteli, Chontales, and Boaco Departments in northern and central Nicaragua. At the meeting of the top anti-Sandinist leadership, the Indian rebel group Miskitos, Sumus, and Ramas [Misura], which is made up of Sumus, Ramas, and Miskito Indians as well as black Creoles from Nicaragua's Atlantic coast, was not represented. Eden Pastora's Democratic Revolutionary Alliance, whose positions are widely apart from those of Robelo, Calero, and Cruz, was also not represented. The Nicaraguan rebels will soon receive $27 million in humanitarian aid from the United States. Previously, the FDN has received $12 million from the Reagan administration for the anti-Sandinist struggle, which was spread over three fiscal periods. Calero, Cruz, and Robelo left today for the United States aboard the same private plane in which they arrived secretly on Wednesday afternoon. According to the FDN spokesman, the working meetings of the Nicaraguan opposition "are nothing new because Calero, Robelo, and Cruz have previously met in Venezuela, Costa Rica, and Miami."

MORE REPORTAGE ON REACTION TO SR-71 'VIOLATION'

Messages Support Fidel's Policies

FL131243 Havana Domestic Service in Spanish 1100 GMT 13 Aug 85

[Text] The entire country continues to repudiate the violation of Cuban airspace by a U.S. SR-71 spy aircraft on 8 August. Each one of the messages sent reflect the support to the political and economic policies of the Cuban party and Government under Fidel's skillful leadership.

Militia Denounces Incident

FL140152 Havana Domestic Service in Spanish 2130 GMT 14 Aug 85

[Text] A communique condemning the recent violation of Cuban airspace by an SR-71 spy plane from the U.S. Air Force has been approved here by the (?six) members of Battalion 120 of the National Revolutionary Militia. During a meeting to plan the activities for the 25th anniversary of its establishment, the militia ratified their pledge to be more efficient in work and in the preparation for the people's war. The combatants communique says: We emphatically condemn the violation of our airspace and in light of that new Yankee imperialist aggression, as in the struggle against bandits, as in Giron, and in the October crisis, we respond to the party and to Fidel, commander in chief: Command us.

UN CRITICISM OF U.S. PUERTO RICO POLICY NOTED

FL131548 Havana Domestic Service in Spanish 1406 GMT 13 Aug 85

[Text] The U.S. neocolonialist policy toward Puerto Rico has been harshly criticized by the UN Committee on Decolonization. The representatives of social and political organizations who spoke at the meeting of the UN committee pointed out that Puerto Rico, on which Washington has imposed the status of associated free state, is a typical colonial possession. The speakers said that through their insatiable exploitation of the island's natural and human resources, U.S. corporations obtain annual profits of more than $3 billion. At the meeting of the Committee on Decolonization, the speakers exhorted the United Nations to make a maximum effort to make it possible for the Puerto Rican people to exercise to self-determination and independence.

BOARD SELECTS CUBA AS UNIDO VICE PRESIDENT

FL131330 Havana Domestic Service in Spanish 1100 GMT 13 Aug 85

[Text] In Vienna, Cuba has been selected as vice president of the Industrial Development Board of the UNIDO [United Nations Industrial Development Organization], a specialized organization with its own financing resources. The election was held during the board's 1st day of its fifth general meeting. The board is a UNIDO organ.

COMMITTEE FORMED TO COMMEMORATE UN ANNIVERSARY

FL131253 Havana Domestic Service in Spanish 1100 GMT 13 Aug 85

[Text] Carlos Rafael Rodriguez, Politburo member and vice president of the Councils of State and Ministers, heads the national committee formed to organize the activities commemorating the United Nations' 40th anniversary in Cuba.

Among the activities, a seminar and book expositions will be held, a commemorative stamp will be issued, and national and foreign personalities wil appear in radio and TV shows.

DELEGATION ATTENDING BURNHAM'S FUNERAL RETURNS

FL131427 Havana Television Service in Spanish 1100 GMT 13 Aug 85

[Text] Commander of the Revolution Juan Almeida Bosque, Politburo member and vice president of the Council of State, last night returned to Cuba heading the official Cuban delegation which attended the funeral of deceased Guyanese President Forbes Burnham accompanied by Ricardo Alarcon and other Cuban officials.

Hours earlier, Almeida Bosque and the Cuban delegation had departed from Georgetown's Timehri International Airport, where they were seen off by Foreign Ministry Permanent Secretary (Denise Gobeia), Cuban Ambassador to Guyana Lazaro Cabezas, and other personalities. The Cuban delegation which attended the funeral of the deceased Guyanese leader, was also composed by Jose Arbesu, deputy chief of the Central Committee America Department; Ricardo Alarcon Quesada, vice foreign minister; and Lazaro Mora, department chief of the Foreign Ministry.

RAMON CASTRO MEETS WITH DPRK VICE PREMIER

FL131518 Havana Domestic Service 1421 GMT 13 Aug 85

[Text] At a welcoming ceremony for the Cuban delegation headed by Ramon Castro, DPRK Vice Premier Chong Chun-ki, candidate member of the Poliburo of the Korean Workers Party Central Committee, reaffirmed toeay the DPRK's close ties of friendship and solidarity with Cuba.

At the official welcoming banquet, the Korean leader stressed Cuba's most notable successes in building socialism and preparing for the defense of the homeland, and he reiterated the full support his country gives to the first socialist state in the Western Hemisphere. During his speech, Chong Chun-ki expressed the authorities' sincere gratitude for the proposal by Commander in Chief Fidel Castro that the next Olympic games be held in North and South Korea in a unified fashion.

Ramon Castro, labor hero of the Republic of Cuba, expressed his satisfaction for the progress achieved by Democratic Korea in recent years.

COMMENTARY HAILS CUBA-USSR COOPERATION

PA100425 Havana International Service in Spanish 0000 GMT 7 Aug 85

[Station commentary]

[Text] Cuban-Soviet cooperation dates back over 25 years and has worked successfully. After virtually starting from scratch, that cooperation now covers a host of areas in all social and economic spheres. The Soviet Union, Cuba, and other brother nations are implementing far-reaching social and economic integration covering the most diverse aspects of industry, agriculture, science and technology. In terms of industrial projects, we can cite the following as genuine symbols of Soviet-Cuban friendship: the Jose Marti Steel Plant, the mechanical plant in Santa Clara, the sugar cane combine in Holguin, the thermoelectrical plants in Mariel and Rente, and the Celia Sanchez Textile Plant. Soviet and Cuban experts work side by side to build huge enterprises such as the nuclear power plant, the nickel plant in Punta Gorda, and several oil refineries.

Despite the serious crisis that underdeveloped countries are experiencing and the very low price of sugar, this cooperation has enabled Cuba to change the face of its national economy. Whereas we once purchased everything from abroad -- from buttons to nails -- today we manufacture complex machinery, equipment, and instruments. A host of fields of endeavor, which before were just a dream, have been created, such as the manufacture of machinery, radio electronics, chemical production, and shipbuilding. Cuba's economic development at a high, stable pace is made possible thanks to the just prices ruling our exchange with the Soviet Union, as well as low interest loans and the extraordinary payment arrangements that country offers for the repayment of loans. In the past decade, trade with the Soviet Union has increased by almost five times, and thanks to that factor the country's main export branch, the sugar industry, has a solid base and has been highly mechanized in its industrial and agricultural aspects.

In a world where the energy crisis and the high cost of oil have meant ruin and anxiety for nonoil-producing nations, the Soviet Union has guaranteed supplies of oil and oil by-products to Cuba in a stable fashion, in the quantities needed, and at favorable prices. Moreover, due to this cooperation, Cuba is one of the leading countries in Latin America in the development of atomic energy.

In October 1984, a major document was signed in Havana. It was the long-term program for the development of economic, scientific, and technological cooperation between the two countries until the year 2000. For Cuba, the agreement has a major significance: While the serious economic crisis generated by capitalism is smothering development and condemning most Third World countries to the most merciless poverty, our nation has not only ensured its basic needs for the remainder of this centruy, but is is also able to achieve new economic, social, and cultural advances. For Cubans, the first ones to achieve a socialist revolution in the Western Hemisphere, the sovereign decision to resume relations with the Soviet Union a little over 25 years ago, brought a union with the first proletariat revolution in the world. That factor has united our two peoples. For that reason we can affirm that in the political field, to give an example, there is total agreement in our viewpoints regarding the chief problems of building socialism and the international situation. For that reason, the debt of gratitude to the Soviet Union and its heroic people will never die in the hearts of Cubans. As President Castro said, there will be many changes in the future; in fact, the day in which capitalism disappears in the United States will come; however, our feeling of friendship towards the people who assisted us during a decisive and critical period when famine and annihilation loomed over us will be everlasing.

HAVANA RADIO NOTES REGIONAL COMMENTS ON DEBT

PA132158 Havana International Service in Spanish 1600 GMT 11 Aug 85

[Text] Ecuadoran President Leon Febres Cordero said in his first annual report to the Congress in Quito that the foreign debt represents death or survival, cohesion or a general explosion for Latin America, and recommended a political emphasis be put on the problem. Febres Cordero made this statement in relation to the regional debt problem, even though Ecuador has already reached an agreement with international banks to renegotiate more than $4.5 billion of its foreign debt in a 12-year period, including a 3-year grace period.

In Buenos Aires, the president of the Latin American Parliament, Argentine Senator Luis Leon, said that to deny the politicalization of the debt is a dream and added that the rights of those who wish to recover their money must be respected but so must the rights of those who cannot pay.

Sebastian Alegrett, permanent secretary of the Latin American Economic System, said in Caracas that all the countries of the region are interested in preserving their credit, and that those countries who fail to pay their debt do so because they have no other choice. Alegrett made this statement in response to the threat from Washington to indefinitely suspend credit to those countries that repudiate the debt or that decide on a moratorium on their payments.

NICARAGUAN SUCCESSES AGAINST CONTRAS DESCRIBED

Contra Plans Disrupted

PA121903 Havana International Service in Spanish 0000 GMT 10 Aug 85

[Report by Estrella Diaz, Havana Radio special correspondent in Managua -- recorded]

[Text] The following information was provided during a news conference held today in Managua at the Interior Ministry by Captain Oscar Loza, Nicaraguan State Security operations chief:

[Begin recording] In recent months there have been armed actions that have placed the enemy in a strategic defensive position. The blows that the Sandinist People's Army [EPS] and the Interior Ministry have inflicted on the enemy in the country's northern, central, and southern regions have forced the CIA to introduce its mercenary forces deep in national territory in an attempt to produce propaganda blows to justify the delivery of the $28 million that was approved by the U.S. Congress.

We have responded to this desperate action with impressive military and political actions. We can cite two examples: the mercenary forces in the country's south have been expelled and their activities in Esteli and La Trinidad have failed. [end recording]

Capt Loza explained that recently five plans aimed at destroying economic and social objectives and at attacking public officials and leaders were disrupted.

[Begin Loza recording] Their plans included power towers and the placing of bombs in buses, markets, and theaters. Other plans were more specific and called for the assassination of Commander Humberto Campbell of the 2d Special Region. This was to be carried out by counterrevolutionary [name indistinct]. [end recording]

During the news conference the authorities exhibited approximately 400 kg of explosives seized from the counterrevolutionaries. Four persons belonging to the FDN, the so-called Nicaraguan Democratic Force, were presented. They all stated that they received military training in Honduras. One of them, Joaquin Arrechavala, affirmed that three North Americans trained him in the handling of explosives and provided him with information regarding some of the urban terrorism plans implemented by the CIA.

Borge Comments Viewed

PA131936 Havana International Service in Spanish 2310 GMT 12 Aug 85

["Our America" commentary]

[Text] The Nicaraguan counterrevolutionaries have suffered heavy blows in recent days. It can be said that those mercenary forces are experiencing an obvious deterioration and that they exist due to the U.S. logistical aid.

In order to justify that support, the counterrevolutionaries tried to penetrate deep inside Nicaragua through Esteli and Chontales in the country's northern and central regions. Nevertheless, the mercenaries suffered a crushing defeat. More than 150 were killed and 40 were captured. They had hoped that the Esteli residents would rebel against the legally established Nicaraguan Government; however nothing of the kind occurred. The U.S. CIA was wrong again.

Referring to the actions by the counterrevolutionaries approximately 120 km from Managua, Nicaraguan Interior Minister Tomas Borge said that the mercenaries military actions had a very high cost for them. Twenty-five members of their forces were annihilated by the Sandinist People's Army. It was not really a military action but a propaganda ploy.

Meanwhile, Nicaragua continues to be the target of attacks from the southern border, that is, from Costa Rican territory. Irrefutable proof of this was the kidnapping of approximately 50 members, mostly U.S. religious activists, of the peace flotilla by the counterrevolutionary organization ARDE [Democratic Revolutionary Alliance] as the flotilla was sailing along the San Juan River on the Costa Rican-Nicaraguan border to pressure the San Jose government into agreeing to negotiate the establishment of a security zone with Nicaragua. Both the Nicaraguan Government and the ecumenical Witnesses for Peace organization, which sponsored the trip on the San Juan River, held the White House responsible for anything that might happen to the kidnap victims since, as is known, Washington finances the Nicaraguan counterrevolutionaries who operate from Honduras and Costa Rica.

Another frustrated action was the criminal plan to carry out dynamite attacks against the Nicaraguan civilian population in order to sow terror. It has been learned that the mercenaries had 400 kg of dynamite supplied by the U.S. CIA. If used for the planned objectives, the dynamite would have caused very bloody actions.

Tomas Borge was recently asked why in his opinion the United States and the CIA have been unable to create an internal front in Nicaragua to serve as support for the counterrevolutionaries' effort. The interior minister replied that all of the conspiratorial plans of the counterrevolutionaries have failed because Nicaraguan state security has deactivated or neutralized those plans. Of course, he added, the United States continues clinging to the hope of destabilizing the country and the threat of a direct intervention is real. Borge also referred to the Nicaraguan people's revolutionary conscience which can never be weakened through cowardly attacks, economic embargoes, or clumsy ideological propaganda. For these reasons, said Tomas Borge, Nicaragua's military effort is aimed in two directions: to defeat the armed counterrevolutionaries and to prepare for a possible direct U.S. intervention.

DOMINICA

GOVERNMENT TO IMPLEMENT CARICOM TRADE AGREEMENT

FL132104 Bridgetown CANA in English 2043 GMT 13 Aug 85

[Text] Roseau, Dominica, Aug 12, CANA -- The Dominica Government says that it would be implementing a trade agreement reached among Carribbean Community (Caricom) leaders in the Bahamas two years ago, but warned that its objectives may not be attained until solutions are found for payment difficulties that affect most member states. The Nassau understanding as the agreement is called, allows for a 15 per cent increase in tariffis on specified extra-Caricom goods to protect like products made in the community. Prime Minister Eugenia Charles in delivering her EC153.1 million dollar budget to Parliament yesterday said that her administration had decided to implement the agreement by September 1 this year. Let me make it quite clear from the beginning that I do not think for one moment that the Nassau understanding will immediately solve all our problems. It will not. Firstly, there must be a willingness to make it work. Secondly, unless a suitable mechanism is developed to restore the ability of all Caricom countries to keep up with their external payments it will be difficult, if not impossible to generate increased trade in the region, she told Parliament. Charles said that she had no illusions about this, but that she was also convinced that action must be taken to stimulate increased production and trade within the region and that the agreement entered into at Nassau will be one important step in achieving this objective. Charles said that while the agreement called for tariff hikes, the government had not, however, agreed to some items which in our view will not be available from Caricom sources for some time.

We do not agree that we should increase the tariff unless there was good prospect for trade diversion to Caricom manufacturers, since this would merely increase the cost of goods and the cost of living, without achieving its objective. We have therefore, not agreed to any increases in repect of cement, [words indistinct] 20 to 30 percent. Charles said that as a result of the agreement being put into effect, she anticipated a growth in revenues during the coming months. The understanding arrived at in Nassau can go a long way in restoring inter-Caricom trade, but its objectives will not be attained until solutions are found for the payments difficulties that affect most member countries of the region, she said. Caricom leaders at their summit in Barbados last month agreed to implement the Nassau Accord by the end of this month. Dominica has been absent from the meeting.

NETHERLANDS ANTILLES

NETHERLANDS MINISTER ON CURACAO SHELL REFINERY

FL122018 Bonaire Trans World Radio in English 1130 GMT 12 Aug 85

[Text] The Dutch Government wants to review the positions of Venezuela, the Netherlands Antilles, and Holland regarding the Shell Oil Refinery on Curacao before resuming talks on the future of the installation. In Willemstad the Dutch Minister of Antillean Affairs Mr. Jan de Koning made that annoucement after meeting with the Prime Minister of the Netherlands Antilles Maria Liberia-Peters and with a Dutch delegation of experts. He said that the countries concerned must first find common starting points and aims before continuing talks with Shell on the possibility of the refinery's continued operation. Mr de Koning said the future of the refinery is the joint responsibility of Holland, Venezuela, and the Netherlands Antilles, but he said the nature of this relationship is still to be worked out.

ECUADOR

FEBRES CORDERO APPROVES CREDIT AGREEMENT

PA120432 Quito Voz de los Andes in Spanish 1230 GMT 11 Aug 85

[Text] Francisco Swett, finance and public credit minister, has been authorized by President Leon Febres Cordero to sign or to appoint someone to do it on behalf of Ecuador the guarantee, notes, and documents on the credit agreement which, in the amount of $200 million or its equivalent in other currencies, the Central Bank of Ecuador will negotiate with a group of foreign banks and financing institutions. Lloyd's International Corporation will act as coordinating agent. The money will be used to support the country's balance of payments.

TERAN DISCUSSES FOREIGN POLICY ACHIEVEMENTS

PA121633 Quito Voz de los Andes in Spanish 1130 GMT 12 Aug 85

[Text] During an interview, Foreign Minister Edgar Teran has said that his ministry has followed an expeditious, simple, and clear international policy which has given Ecuador a clear personality. Teran mentioned several activities conducted by his ministry during his time in office. In general terms, he summarized the international policy implemented by President Leon Febres Cordero during the past year, the trips abroad by both the president and the foreign minister, Ecuador's future participation in the United Nations, and its stance with regard to the Andean Group, the Havana assembly, Peru, the South Pacific, Third World countries, Central America, Bolivia, the OAS, drug trafficking, and terrorism. Teran stressed that Ecuador's good faith in its international relations and its sense of honor favored the renegotiation of its foreign debt, adding that this clear personality had made it possible to obtain international aid and to increase our bilateral trade with distant countries like China.

MEXICO

CONACE PRESIDENT REPORTS FALL IN NONOIL EXPORTS

FL121340 Mexico City NOTIMEX in Spanish 1930 GMT 11 Aug 85

[Text] Mexico City, 11 Aug (NOTIMEX) -- Mexico has lost over $400 million because of a drop in nonoil sale transactions abroad during this year, Fernando Gomez, National Council of Foreign Trade (Conace) president, has announced. The official added that this foreign sales decrease tendency is underway, and if it continues close to $800 million will be lost by the end of the year.

He explained that to stimulate this kind of trade and foreign currency income, at least 1,500 export enterprises are needed. Presently, 80 percent of the country's exports are done by less than 100 enterprises, despite the registration of 800 as permanent exporters. He said that until 1984 there was a stable nonoil export tendency because of the effects of the devaluation, but sales had decreased by 16 percent this year. He added that the causes of the reduction are: a noncompetitive parity, the fall of nonoil export goods prices such as cotton, coffee, and manufactured goods, and the foreign market crisis.

Most of the Mexican enterprises are only prepared to handle domestic demands. They do not have the capabilities of going abroad; therefore industrial reform programs are needed to make their products adequate for exporting, he said.